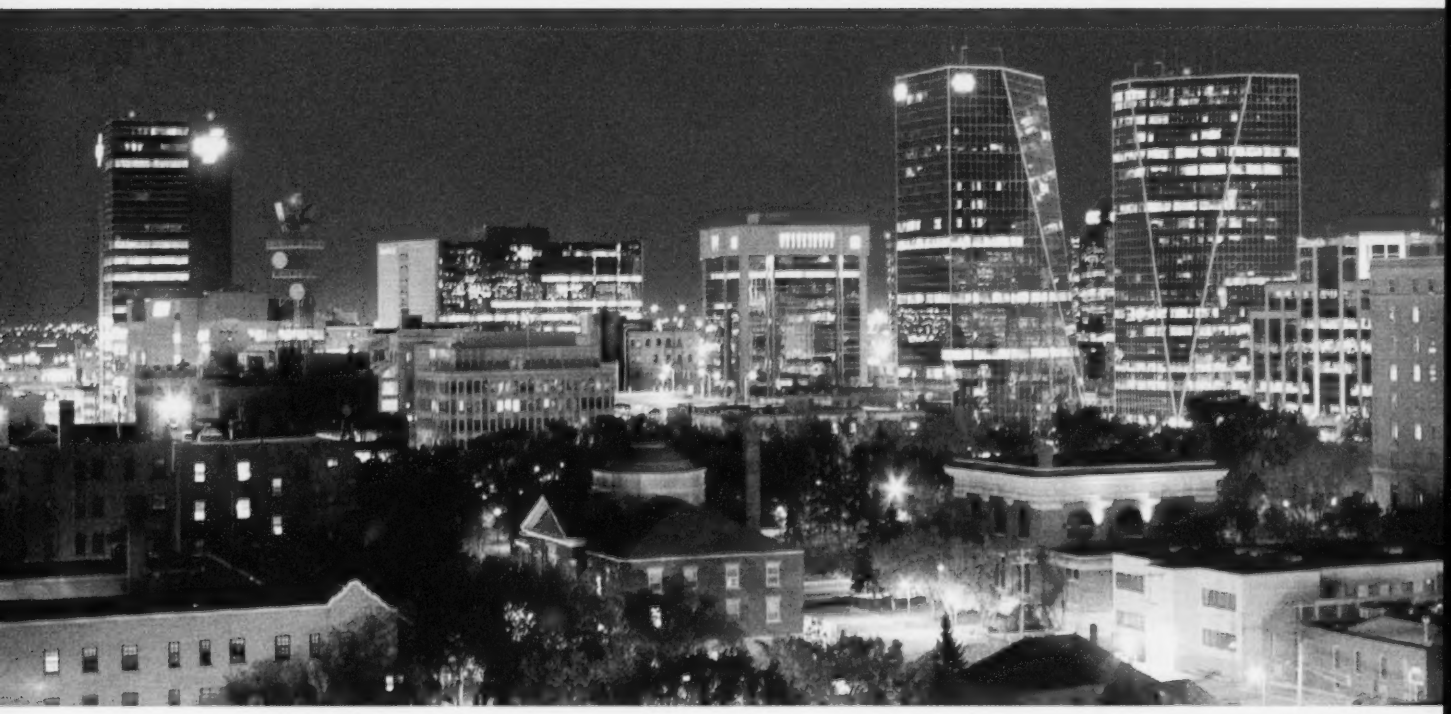
2008

CITY OF REGINA

GENERAL OPERATING BUDGET

AS APPROVED BY CITY COUNCIL



Regina

CITY OF REGINA

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The budget information included in this document has been revised to reflect the changes related to the announcement of an additional Provincial Revenue Sharing grant on April 15, 2008. Other typographical errors have been corrected from the 2008 General Operating Budget tabled by City Council on March 31, 2008.

Introduction

Office of the City Manager
April 15, 2008

To: His Worship the Mayor,
and Members of City Council

Re: 2008 General Operating Budget and Other Funds Budget

Pursuant to Sections 128 of *The Cities Act*, City Council is required to adopt an operating and capital budget. The budgets summarized in this document are the 2008 General Operating Budget and the 2008 Costing Fund Budget as approved by City Council at its meeting on April 15, 2008. The General Operating Budget for 2008 includes a municipal mill rate increase of 2.84%. The 2008 General Operating Budget totals $235.7 million, an increase of $14.8 million or 6.7% over 2007.

The 2008 General Operating Budget reflects City Council's Vision:

Imagine Regina 2020
Canada's most...
Vibrant,
Inclusive,
Attractive,
Sustainable community
Where people live in Harmony
And Thrive in opportunity.

This vision provided the starting point for the development of the Corporate Strategic Plan – *Accelerating Excellence*, with four Strategic Priorities to guide our budget process.

The Strategic Priorities established in *Accelerating Excellence* include:

- Managing Growth and Community Development
- Strengthening City Infrastructure and Managing Assets
- Achieving Operational Excellence, and
- Ensuring Organizational Capacity and Effectiveness

The budget process requires choices by City Council with respect to service levels and the taxes, fees and charges to pay for those services. The diversity of interests in the community increases the need to ensure the right balance of initiatives is identified. There is no formula or model to guide such decisions as stated in the following quote from a Federation of Canadian Municipalities document:

> Municipal financing and the allocation of resources in a community are the products of the decisions of elected officials working in a democratic process where judgements are made about priorities. No magic formula can substitute for either democratic process or political judgement.

The 2008 general operating budget reflects increased services including:

- Increased resources for Regina Police Service totaling $3.3 million, including funding for 8 additional officers.

- Resources to address the growth of the community, including those relating to development of new residential and industrial areas.

- Resources to bring improvements in asset management, ensuring that infrastructure spending is directed to its most effective use.

- An additional $200,000 for Community Investments, to fund major community events and serve as a transition until a review of Community Investments, to ensure they align with Council's Vision, is complete in 2008.

The increase also includes additional costs for wages and benefits totaling $5.8 million, based on agreements recently reached with two of the City's bargaining units and including market supplements for certain occupations where the current labour market conditions have made recruitment and retention an issue.

The 2008 budget for the Board of Police Commissioners is $52,822,900, an increase of about $3.3 million or 6.7% over the 2007 budget. The increase in expenditures is partially offset by increased revenues of $82,500. The capital contribution required for the Board of Police Commissioners for 2008 is $845,000, a decrease of $106,000 over the amount provided in 2007.

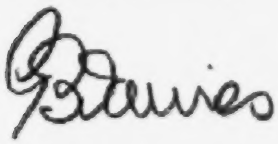
There is an increase of $2.5 million in the 2008 budget for the Provincial Revenue Sharing Grant. The Province has indicated a commitment to revisit the formula for Revenue Sharing prior to the 2009/10 Provincial Budget process.

The 2008 General Operating Budget also includes the use of $2,051,200 from the General Fund Reserve. A portion of this amount relates to infrequently occurring costs, such as those related to Reassessment 2009 and special community event funding. $1.4 million represents the use of a portion of the 2007 surplus to offset the 2008 mill rate requirements.

Many of the City's revenues and expenditures are subject to change due to external influences. Many factors impact revenues and/or expenditures including the weather, the cost of fuel, interest rates, gas rates and electrical rates. There could be positive or negative variances in 2008 due to these factors.

The 2008 General Operating Budget includes a 2.84% increase in the municipal mill rate, while increasing services provided by the City. The budget reflects a balanced approach to addressing the strategic priorities, including the use of a portion of the 2007 surplus, a modest amount of debt to address capital requirements, and an effort to strengthen the City's reserves for future needs.

Respectfully submitted,



Glen B. Davies
City Manager

Introduction

Budget Overview

The 2008 General Operating Budget has been developed to support the City's Vision and Strategic Priorities, with funding for improved services and community initiatives, including:

- $3.3 million to fund the additional net costs of the Regina Police Service, including 8 more Police Officers.
- $5.8 million to fund additional wage and benefit costs, representing about a 5.5% increase, necessary to address recruitment, retention, diversity and training of the work force, which is particularly critical in light of demographic and work force trends in Western Canada.
- Funding from the operating budget to support a $75 million General Capital Investment Program, including $14 million for Street Infrastructure Renewal funding – a 27% increase over 2007, and $20 million for the City's share of the revitalization of Ipsco Place.

The budget includes ongoing funding for Community Investments with an increase of $12,200 from previous years for the Saskatchewan Lotteries Grant. In addition, the budget includes funding for a number of community initiatives including:

- $87,000 for the second year of a two year commitment for Shaping Regina,
- $50,000 for hosting of the Scotties Tournament of Hearts held in Regina in March 2008,
- $50,000 for hosting the National Comedy Festival in October 2008; and
- $200,000 to provide for the increased need for funding for large scale community events. A full review of the Community Investments Program is currently underway to ensure Community Investments are aligned with City Council's Vision. This funding provides for a transition to the new policy.

The budget reflects increased tax revenues of about $2.6 million as a result of growth in the assessment base. It also reflects some projected increases in building related revenues.

The budget includes the recently announced increases in Regina's share of Provincial Revenue Sharing of $2.5 million, to $18.2 million from the $15.7 million received in 2007.

The Provincial Budget announced a significant investment in infrastructure, but most of this funding relates to highways and rural infrastructure. Other funding is related to existing programs and had been included in prior plans. The Budget also announced the Saskatchewan Infrastructure Growth Initiative, which will provide interest free loans for a five year period for residential and commercial growth-related costs. At the present time, the program criteria and limits are not available, but it may assist the City in reducing the financing costs of infrastructure investment. Based on debt estimates used in the General Capital Budget, the savings would be about $250,000 per year for five years.

Federal and Provincial programs such as the Building Canada Fund and the National Transit Trust are expected to provide funding, but at the present time, details are not available. The program information currently available indicates that there is a requirement for incremental spending from grant recipients, which means that the funds will not free up existing funding to reduce mill rate requirements.

As a result, in order to fund the existing levels of service, the capital requirements, and the increased services described above, a mill rate increase is required. The required increase identified was 3.9%. As a result of the 8% increase in Provincial Revenue Sharing announced subsequent to the Provincial Budget, the mill rate increase has been reduced to 2.84%.

The increase is necessary to maintain the financial sustainability of the City. It is well within the range of recent increases implemented in many Western Canadian cities as shown below, and reflects the financial pressures that municipal governments face in light of their limited funding sources:

	2004	2005	2006	2007	2008	Totals	Average
Calgary	5.00%	3.50%	4.40%	4.00%	4.50%	21.40%	4.28%
Edmonton	5.30%	5.40%	6.25%	6.50%	7.75%	31.20%	6.24%
Red Deer	12.00%	0.00%	1.60%	13.50%	8.66%	35.76%	7.15%
Winnipeg	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Saskatoon	3.78%	3.40%	1.86%	4.76%	5.36%	19.16%	3.83%
Regina	0.00%	4.00%	0.00%	3.91%	2.84%	10.75%	2.15%

A mill rate increase of 2.84% represents approximately $39.67 in additional municipal taxes for a residential home or condominium with the average taxable assessment in Regina – about $3.31 per month.

For residential properties and condominiums, the effective municipal tax increase will depend upon City Council's decision regarding mill rate factors. In 2004, City Council adopted a policy to adjust the mill rate factors for residential properties upward and multi-family properties downward in order to bring all residential taxes to a single rate over a five year period from 2006 to 2010. In 2008, City Council reviewed that policy as a result of the significant changes in the housing market since this policy was introduced, but continued the phase in. For 2008, single family residential and condominium properties will see an increase of 3.68% while multi-family properties will see a decrease of about 7.31% in 2008, offset by the mill rate increase approved by Council.

The 2008/09 Provincial budget provided an increase in the Education Tax Credit from 10% to 12% for residential properties. This additional 2% reduction will reduce education property taxes on a Regina home with an average assessment by $22.31 per year

Despite the welcome increase in Provincial Revenue Sharing, which represents about a one percent increase in revenue, the City faced many challenges in developing the 2008 Budget – some long standing and some new.

2008 Budget Process

The budget process always involves difficult choices. A key aspect of the budget process is that City Council is making choices on behalf of the community. With the limited resources available, it is important that each year's budget process involve the establishment of priorities. Many Canadian cities are developing multi-year strategic plans to help guide the resource allocation process. Building on the strength of work carried out over the past few years, the 2008 budget was developed based on priorities established through City Council's Vision for Regina, the development of the 2008 – 2012 Corporate Strategic Plan and an assessment of the critical challenges facing the organization.

Corporate Strategic Planning and Performance Management Process

In early 2007, City Council updated its Vision for Regina as follows:

Imagine Regina 2020
Canada's most…
Vibrant,
Inclusive,
Attractive,
Sustainable community
Where people live in Harmony
And Thrive in opportunity.

Corporate Strategic Plan

In November 2007, the Executive Leadership Team endorsed in principle our first, five-year corporate strategic plan: Accelerating Excellence, 2008-2012. It is the highest level of planning in the corporation and it represents a roadmap for the entire organization. It takes direction from Council and communicates our Vision, Mission, Values, Strategic Priorities, Key Areas of Focus and Outcomes enabling the divisions of our City to develop and align their business plans. Combined, this forms the "line of sight" for the community, Council and employees.

Background

The Core Services Review that was completed in 2004 recommended that the City of Regina develop a corporate strategic plan and a corporate performance management program. The Core Services Review final report stated[1]:

> "A theme that repeated itself throughout the core services review focused on the lack of a strategic link between the Community Vision that [had] been created by Council and the activities of the municipal corporation. Articulated in various ways, there was a lack of understanding about how the municipal corporation itself and the many service areas within it were meant to support and realize that Vision."

To establish the strategic link, and galvanize our efforts, the City of Regina undertook a strategic planning process to strengthen the relationship between the community, Council and our employees in keeping with our Accountability Framework. This framework demonstrates that both Council and the administration have a role in strategic planning – Council sets the Vision, the administration develops strategic and business plans to align their activity to the Vision.

[1] "Final Report: Core Services Review", TkMC, November 29, 2004

City of Regina Accountability Framework

Business Planning

During the first quarter of 2008, Divisional and Departmental business planning began utilizing a "top-down" and "bottom-up" approach. As planning cascades through the organization, the level of engagement and detail becomes increasingly refined. Participants in the planning sessions are cross-functional to ensure an integrated approach and a 'de-siloing' of the organization.

Some areas within the City of Regina have undertaken business planning in the past. What is new for these groups is that they now have a longer term corporate Vision, Mission, Values and Strategic Priorities to provide better context for their planning efforts.

National Quality Institute

To ensure continuous improvement in all areas of the Corporation, the City of Regina will intensify its efforts to become the best run municipality in Canada by joining the National Quality Institute's (NQI) Progressive Excellence Program for the Public Sector. NQI's Strategic Quality Approach focuses on best practices in six key areas:

Leadership	People	Planning	Process Management	Citizen/ Client	Supplier/ Partner

The City of Regina will conduct its first assessment using NQI's quality criteria in 2008 with a goal to achieve level four or gold level status by 2011.

Corporate Performance Management Program

The Performance Management Program (PMP) will embed the Vision, Mission and Values in how we manage our services, resources and assets by establishing benchmarks and service levels, as well as report on our progress. We are committed to building a comprehensive PMP and have taken some early first steps.

In the fourth quarter of 2007, we completed an inventory of over 500 existing management metrics. The metrics have been organized and aligned with the Strategic Outcomes in *Accelerating Excellence, 2008-2012*. Our next steps include:

- Streamlining metrics that should continue to be measured;
- Identifying metrics that are missing;
- Developing required metrics and real outcome measures; and
- Establishing a baseline and targets for improvement.

During the first quarter of 2008, the development of a balanced scorecard was initiated. Corporate performance will be measured in four dimensions: Customer, Assets, Organization and Growth. The Administration will seek Council endorsement for the scorecard in June, 2008.

In 2009, the City of Regina will produce its first Annual Report which will describe the progress we've made in Accelerating Excellence. Since municipal government has the highest level of transparency within the public sector, reporting on our progress to our community and Council is critical.

The Corporate Strategic Plan - *Accelerating Excellence* - identified four strategic priorities:

A Vision for Regina
Vibrant, Inclusive, Attractive, Sustainable, Harmony, Thrive

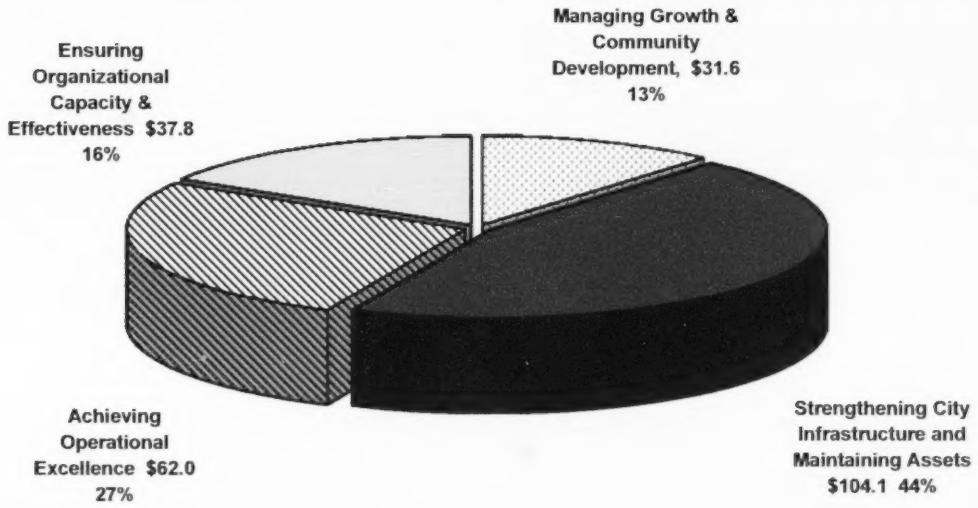
The 2008 budget development process reflected the implementation of strategic decision making at the administrative level as outlined in the Core Services Review recommendations. During the process, over

160 initiatives totaling $9 million were identified and prioritized using the Strategic Priorities. A number were dropped or deferred to future years as a result. As well, over $1.7 million in potential savings were identified. This amount was later reduced to $905,000 when the reductions were assessed against the strategy.

In addition to the typical departmental and program breakdowns used in the budget process, Divisions were asked to categorize their 2008 budget expenditures by strategic priority. Based on this information, the 2008 budget includes the allocation of human and financial resources to these strategic priorities:

2008 General Operating Expenditures

Expenditures By Strategic Priority – 2008
(millions of dollars)


Managing Growth & Community Development, $31.6 13%
Ensuring Organizational Capacity & Effectiveness $37.8 16%
Achieving Operational Excellence $62.0 27%
Strengthening City Infrastructure and Maintaining Assets $104.1 44%

The following sections provide further information about the factors driving the strategic priorities and how the requests for additional or one time funding are linked to those priorities:

Managing Growth & Community Development

This Strategic Priority ensures we anticipate and prepare for our City's growth and are responsive to the needs of our community.

During 2007, building permits issued were 22% higher than the previous year. Housing starts were up 42%, while housing sales were up 34% and housing prices were up 26%. Saskatchewan is leading the country in many economic indicators and the upward trend is strong for 2008. Net migration to Saskatchewan is now positive and more people are calling Regina home. The commercial sector in Regina continues to do well. The City sold virtually all of its available serviced land and is currently developing an expansion to Ross Industrial Park.

Experience in Western Canada has shown the importance of properly managing growth. It is vitally important that growth be managed proactively, and that citizens who may be unable to fully participate in the positive economic climate are not forgotten. Anticipating and preparing for Regina's growth and being responsive to the needs of our community helps the City remain vibrant and sustainable.

For many years, the City has been operating in an environment where growth in terms of residential and commercial development has been relatively slow. The current conditions require some shifts in the way services are delivered, and in the way resources are allocated. The 2008 General Operating Budget includes additional funding for the following items on an ongoing basis, related to Managing Growth and Community Development:

			2008 Full Time Equivalent Positions	
	Description	**2008 Cost**	**Permanent**	**Casual**
1.	Additional Building Permit Examiner required to process higher volume of building permits.	39,000	1.0	-
2.	Jinan Twinning delegation funding.	20,000	-	-
3.	Expansion of solid waste services related to expansion of the City.	27,700	-	0.4
4.	Costs to maintain new parks and open spaces added to inventory as a result of new development or park upgrades.	41,000	-	-
5.	Concrete sidewalk maintenance costs related to expansion of the City.	7,800	-	0.2
6.	Cost of street sweeping for additional roadways constructed as a result of City growth.	85,000	-	0.7
7.	Cost of street line painting for additional roadways constructed as a result of City growth.	30,000	-	-
8.	Gravel road maintenance related to annexation of additional lands within City limits.	35,000	-	0.4
9.	Additional staff required to process higher volume of Tax Installment Payment Plan applications.	32,300	1.0	-
10.	New Manager of Planning and Heritage Services.	47,500	1.0	-
11.	Increase in funding to Wascana Centre Authority (under Legislation).	89,000	-	-
12.	City Council travel allowance carryover.	34,000	-	-
13.	Management of increased development applications.	172,900	2.4	-
14.	Enhancements to the Graffiti Management Program and the enforcement of the Clean Property Bylaw.	156,900	1.1	-
		818,100	6.5	1.7

The 2008 General Operating Budget includes the following funding on a one-time basis for 2008 related to Managing Growth and Community Development:

	Description	2008 Cost	FTE's Casual
1.	Condition assessment of Parks & Open Space to provide information needed to determine capital restoration program priorities and to ensure the sustainability of the City's parks and open spaces.	70,000	-
2.	Pilot project for transit express routes to the University of Regina and SIAST for the 2008 fall semester.	300,000	3.0
3.	Jinan Business Office setup, conditional upon matching Provincial funding.	93,700	-
4.	Increased hosting of outside events for City Clerk's Office such as Council Workshops.	10,000	-
5.	Community Investments for Scotties Tournament of Hearts, National Comedy Festival, Science Centre and Government House.	145,000	-
6.	Community Investment Allowance for Special Events (Transition to completion of Community Investment Review).	200,000	-
7.	Mosaic Stadium facility consulting.	150,000	-
8.	FCM Communities of Tomorrow Feasibility Study.	230,000	-
9.	Management of increased development applications.	60,000	-
		1,258,700	3.0

Strengthening City Infrastructure & Manage Assets

This Strategic Priority is related to strengthening our City infrastructure systems and managing other tangible and financial assets. It ensures that our City is strong and financially sustainable.

> *"...53% of all infrastructure is now vested with municipal governments Moreover, as most of it was created between the 1950's and the 1970's, it is now aging and in urgent need of repair. However, offloading by provincial and federal governments in the 1990's undermined the capacity of municipal governments to deal with infrastructure issues just at the time when infrastructure renewal became critical. The result has been a ballooning municipal infrastructure deficit that is undermining our competitiveness and long-term economic prospects."* – Federation of Canadian Municipalities - Pre-Budget Submission to The Honourable James Flaherty, Minister of Finance, February 13, 2007.

While other orders of governments must invest in infrastructure, it is recognized that each local municipality is responsible for managing the infrastructure within its borders in the most effective manner.

The City faces challenges in maintaining the wide assortment of infrastructure used to deliver City services. In Regina, there are over $10 billion worth of public and city operational buildings, streets, roads and sidewalks, traffic signals and signs, vehicles and equipment, parks and open space, trees and athletic fields. Within the current funding model, the City cannot afford to maintain and replace all of these assets. Even if it could, it is important to ensure that infrastructure spending addresses future requirements. When additional federal and provincial infrastructure is provided, it is critical that those funds be used in a manner that provides value for years to come. The City's strategy for ensuring this occurs includes:

- Implementing effective asset management techniques such as lifecycle costing and preventative maintenance programs.
- Exploring community partnerships – with both public and private organizations – to provide the infrastructure to support the services Regina's citizens require.
- Promoting rationalization of facilities and infrastructure, which could include multi-use or consolidated facilities.

The 2008 General Operating Budget includes additional funding for the following items on an ongoing basis related to Strengthening City Infrastructure and Managing Assets:

			2008 Full Time Equivalent Positions	
	Description	**2008 Cost**	**Permanent**	**Casual**
1.	HVAC & Security System Control maintenance contract.	100,000	-	-
2.	Software Maintenance Charges for the dTMS and VEMAX asset management systems.	14,000	-	-
		114,000	-	-

The 2008 General Operating Budget includes the following funding on a one-time basis for 2008 related to Strengthening City Infrastructure and Managing Assets:

	Description	2008 Cost	FTE's Casual
1.	Staff and resources to implement Public Sector Accounting requirements for Tangible Capital Assets.	156,500	2.0
2.	Trimble equipment for GPS and Surveying.	26,200	-
3.	Back alley container repairs due to delay of full transition to front street pickup.	20,000	-
4.	Office furniture, equipment, and renovation work to upgrade aging work space in Public Works.	27,200	-
5.	Additional maintenance staff required to maintain new Parks & Facilities Administration building.	30,000	0.5
6.	Furnishings for new Parks & Facilities Administration building.	20,000	
7.	Recreation Facility Strategy 2020 (RFS 2020)	42,200	
8.	Skate Park	30,000	
		352,100	2.5

Achieving Operational Excellence

This Strategic Priority focuses on providing excellent customer service to our community.

The City operations are comprised of many different areas of specialization, including planning and development, engineering, protection of people and property such as fire services, transportation, recreation, enforcement and safety, administration, legal services, and communication.

The citizens of Regina should expect to receive a high quality of service from their City. This strategic priority reflects the need for all areas of the City to be able to deliver high quality services in a professional and integrated manner. Our goal is to deliver excellent customer service through efficient, customer focused processes and increased customer awareness and involvement.

The 2008 General Operating Budget includes the following items on an ongoing basis, related to Achieving Operational Excellence:

			2008 Full Time Equivalent Positions	
	Description	**2008 Cost**	**Permanent**	**Casual**
1.	Manager of Business Continuity & Emergency Preparedness	95,600	1.0	-
2.	Traffic Signal Software Upgrade related to annual cost for updating the new Traffic Signal System software system.	30,000	-	-
3.	Financial Services Business Analyst to manage servicing agreement fee review and related requirements. Funded from Servicing Agreement Fees.	56,200	1.0	-
4.	Additional clerical resources for data entry related to Humane Society Agreement.	10,900	-	0.3
5.	Implementation of Customer Service Program, within Community and Leisure Services, including corporate training and clothing for corporate identification.	50,000	-	-
6.	Cost of placement of waste disposal bins in the Core and North Central communities.	58,000	-	-
7.	Addition of Business Planner to support deployment of strategic planning throughout organization.	60,000	1.0	-
8.	Implementation of mobile computer aided dispatch in fire emergency response vehicles. Costs include air time, software licensing, and 24 hour support and maintenance of the system.	35,900	-	-
9.	Additional administrative/analyst support in Public Works to improve customer service.	53,800	1.0	-
10.	Implementation of Service Regina including Service Regina Manager, Project Coordinator, consulting and office expense.	270,800	2.0	-
11.	Increased funding for the Regina Humane Society due to new contract for animal impoundment and control services. This will result in a net cost of $143,000 after the increase in revenues from higher fines and greater enforcement.	532,800	-	-
12.	Consulting services for the Tax and Assessment System upgrade project required for Reassessment.	15,000	-	-
		1,269,000	6.0	0.3

The 2008 Budget includes the following funding on a one-time basis for 2008 related to Achieving Operational Excellence:

	Description	2008 Cost	FTE's Casual
1.	Development of Service Regina including office setup costs, consulting, and corporate training for the first phase of the Customer Service Strategy.	386,700	4.0
2.	Preparation for the 2009 Reassessment, including term customer service staff, systems changes, and mailing costs, funded from the General Fund Reserve.	396,500	3.8
3.	Mosquito control for prevention of West Nile Virus. Funding is provided by the Province.	277,500	-
4.	Additional resources required for upgrade of the Oracle Financials System.	90,000	1.3
5.	Development of a long term crime prevention strategy.	25,000	-
6.	NFPA Certification and training costs in the Fire Department related to staff turnover.	15,000	-
7.	Consulting costs for deploying business planning throughout the organization.	50,000	-
8.	Additional back alley collection to provide a second refuse pickup in areas of the city experiencing litter and trash problems.	10,000	0.1
9.	Crime Prevention Week, funded in part by SGI and community groups.	2,000	-
10.	Customer service improvement in Public Works.	3,000	-
11.	Audio video equipment for the Mayor's Office.	3,000	-
12.	Consulting costs for the Quality and Innovation Program, including a legal review.	80,000	-
13.	Consulting services for the Tax and Assessment process review - a continuation of a 2007 project.	15,000	
14.	Advertising and media related services to ensure effective communication.	40,000	
15.	Additional casual Paratransit Clerks required to assist paratransit branch with the implementation of a fare structure that is parallel with conventional transit.	154,000	3.0
		1,547,700	12.2

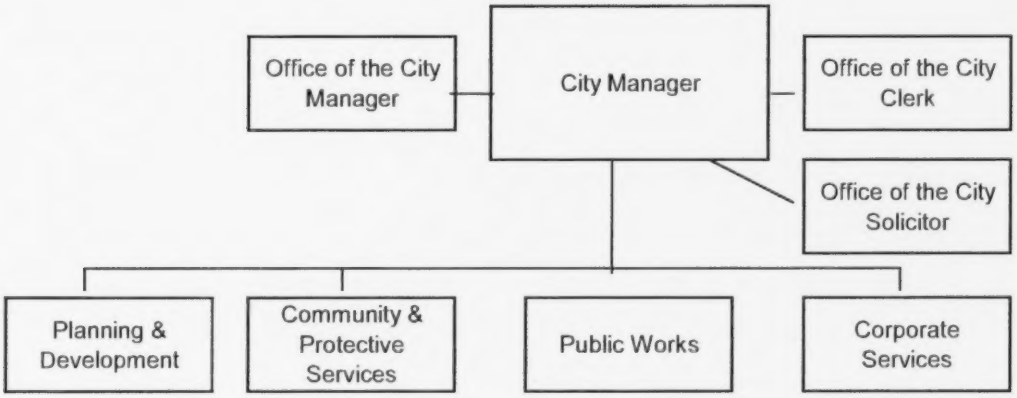
Ensuring Organizational Capacity & Effectiveness

This Strategic Priority ensures we have the right people and processes in place, that we are as effective and efficient as possible, and that we are continuously improving.

City services are delivered largely by City employees. Over 50% of the City's total costs relate to labour. It is vital that the City employ effective best practice techniques to recruit and retain employees, and to lead, direct, and motivate its workforce. Toward that end, the 2008 budget includes funding for 2008 general wage increases as provided for in negotiated collective agreements, as well as additional amounts for staff development through training and education. It includes funding for a Corporate Rewards and Recognition program, and funding for additional positions that also support the implementation of initiatives identified under all strategic priorities.

The City has recently experienced a significant change in senior management staff as well as a high level of turnover due to demographics, the labour market, and changes to the Civic Pension Plan that took effect January 1, 2007. The following chart shows the organizational structure implemented during 2007.

Organizational Structure



The 2008 General Operating Budget includes additional funding on an ongoing basis related to Ensuring Organizational Capacity and Effectiveness, including:

	Description	2008 Cost	2008 Full Time Equivalent Positions Permanent	Casual
1.	Corporate Employee Recognition Program.	200,000	-	-
2.	Controller position, to replace two deleted management positions in the Financial Services Department. Required to address financial policy and internal control requirements.	82,500	1.0	-
3.	Administrative Assistant for the General Manager Planning and Development.	53,900	1.0	-
4.	Mandatory Hearing Conservation testing for Community and Protective Services staff.	4,000	-	-
5.	Training and development for Administrative Assistant in Community & Protective Services.	3,000	-	-
6.	Staff development & training in Public Works for leadership, business supervisory/management and technical skills to address new required skills and processes.	58,300	-	-
7.	Four additional positions in the Fire Department to cover additional training requirements related to staff turnover.	103,000	4.0	-
8.	Business Process Improvement project - two business systems analysts.	34,600	2.0	-
9.	Staff to support the video coverage of City Council.	30,000	-	1.0
10.	Employee networking through two annual events.	35,000	-	-
11.	Additional funding for employees in Public Works to attend business and technical conferences to enhance and develop technical knowledge, skills and relationships.	57,100	-	-
12.	Out-of-scope administrative support in Public Works.	45,300	1.0	-
		706,700	9.0	1.0

The 2008 General Operating Budget includes the following funding on a one-time basis for 2008 related to Ensuring Organizational Capacity and Effectiveness:

	Description	2008 Cost	FTE's Casual
1.	Legal Services for Arbitration Processes.	90,600	-
2.	Costs for personal protective equipment for new firefighter recruits.	14,000	-
3.	Radio Detection Cable Locator.	8,000	-
4.	Business Process Improvement Project in Public Works.	38,500	-
5.	Urban Aboriginal Leadership Program funding allows for development of aboriginal leaders. Initiative funded by Federal Grant.	35,000	-
6.	Furniture replacement to meet ergonomic requirements in Traffic Section of Public Works.	10,000	-
7.	Furniture replacement to meet ergonomic requirements in Information Technology.	19,200	-
8.	Consulting services for the job evaluation project.	40,000	-
9.	Local #21 President salary as per collective agreement and letter of understanding.	48,000	-
		303,300	-

2008 Prioritization Process

The approach for developing the 2008 Budget focused on identifying strategic priorities and allocating resources to those priorities to avoid having budget limitations drive the strategy. Divisions identified requirements for ongoing and one-time initiatives and evaluated them according to the strategic priorities.

Divisions also identified opportunities where existing resources could be reallocated toward the strategic priorities. Specific opportunities totaled $905,000 and represent a lengthy list of relatively small amounts including:

- Savings in printing costs
- Review and consolidation of administrative functions
- Implementation of energy saving lights and devices
- Reductions in overtime requirements

Revenue Challenges

Like virtually all Canadian cities, Regina struggles to provide services within what has been referred to as a 'broken fiscal framework'. Its revenue sources are constrained in a manner that is difficult for the public to understand.

> *"Canada's municipalities exist within a highly regulated framework that precludes the use of many innovative tools. As such, changing the legislative environment and unleashing cities is a prerequisite to innovation. Across the globe, the uptake of innovative infrastructure finance started at the local level, but was only made possible when a change in thinking also occurred at higher levels of government.*

There must be at least some sense of crisis surrounding the infrastructure issue within the broader political and economic environment. Wholesale changes in how infrastructure is financed, funded and delivered will only be considered by governments and accepted by the public at large when there is a sense of urgency attached to the matter, and a realization that the situation will worsen considerably without immediate action.

A consensus must emerge that the current approaches are simply inadequate to the task. This consensus must go beyond a recognition that traditional approaches fail to provide sufficient revenue" - New Tools for New Times: A Sourcebook for the Financing, Funding and Delivery of Urban Infrastructure, Canada West Foundation, September 2006.

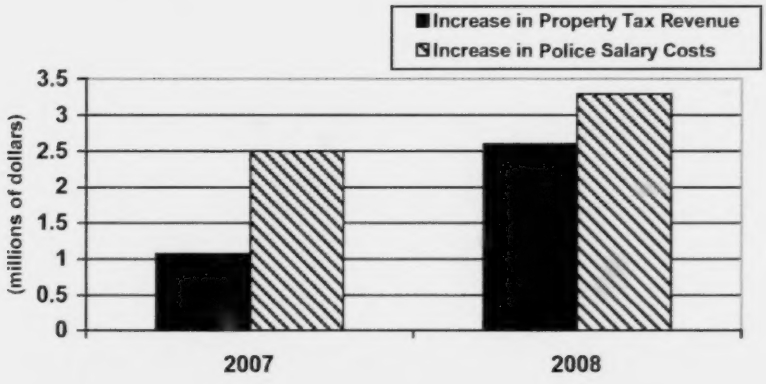
Tax Revenues – the 'Broken Fiscal Framework'

Unlike our neighbours to the south and other orders of government, Canadian cities have very minimal revenue benefits from growth in the assessment base. The past two years in Regina have seen record breaking growth in building construction, both residential and commercial. Industrial land sales in that two year period surpassed the previous decade. Unemployment is very low and housing prices are rising, indicating that residents are confident about their future opportunities in the City. The general perception is that the 'city' is prospering...so obviously the 'City' must be prospering.

For 2008, the City's growth in revenues through property taxes prior to any mill rate increase is $2.6 million. This represents 1,000 new homes at an average municipal tax level of about $2,000, and $15 million in new commercial property. Because property taxes make up about 55% of revenue, that represents an increase of about 1.3% of total revenues – far less than recent inflation rates. While $2.6 million is significant and is one of the largest increases the City has seen in tax revenues in many years, it is very small compared to the cost of providing new infrastructure related to growth or the requirements related to tackling the infrastructure gap.

The following graph compares the 2008 increase in property tax revenue resulting from growth in the assessment base to the 2008 budgeted increase in salary costs for Regina Police Services in 2008:

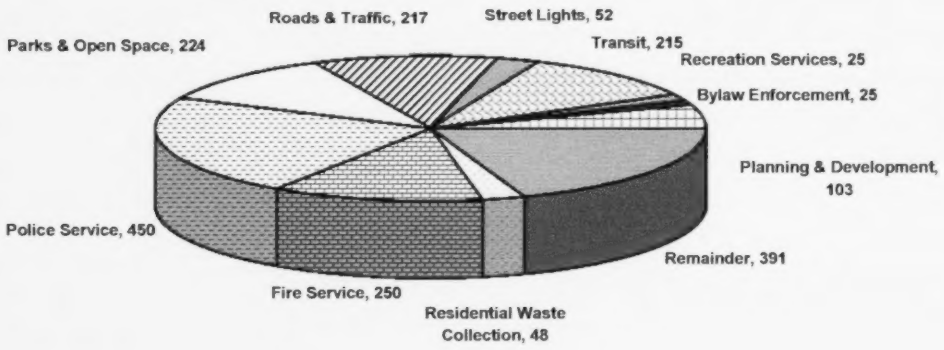
Comparison of Revenue and Expense Increases



To a certain extent, municipal services can be provided to new properties at a relatively low cost. For example, if the new homeowners use existing transit routes, require limited police coverage, use existing recreation facilities, and can be serviced by existing fire stations, the incremental costs for those services are minimal. The City of Regina's policy providing for 30% of growth to be in existing developed areas helps reduce those incremental costs.

However, where new neighbourhoods are added such as those planned in the south west, south east and north west for the next few years, the incremental costs are significant. The incremental costs per household average about $1,400 and include:

Costs of Service – Typical New Home



The remaining $391 would have to cover any capital costs associated with the new neighbourhood or City-wide infrastructure. For 1,000 new homes, this would be $391,000 - less than the cost of one intersection.

Property tax revenue accounts for about 54% of total operating revenues. In Regina, there is greater reliance on property tax as the major source of revenue as compared to other Western cities including Saskatoon, which enjoys significant revenues from its electrical utility.

Without a source of revenue that grows with the economy, there is limited City revenue growth unless City Council increases property tax rates.

Competitiveness of Regina's Municipal Taxes

Regina has made significant strides in increasing the competitiveness of its municipal tax bill for both residential and commercial properties. As shown on page 2, tax increases have been less than one-half of those in most major Alberta cities over the past five years. In 2000, Regina's separate business tax was eliminated, while Calgary and Edmonton continue to receive significant revenues from that source.

For 2007, the municipal tax bill on a comparable property in Red Deer was within $48 per year of Regina's – within 4% - very competitive, particularly considering the level of provincial capital funding available to Alberta municipalities.

Despite this progress, the City continues to face challenges with respect to perceptions about the level of property taxes in Regina as compared to other cities, as well as the relative share of education funding on the property tax base. Each year the City of Edmonton conducts a property tax survey. The survey compares the property taxes on a sample property, and also collects information on the total property and business taxes collected.

Points to note with respect to the per capita tax information are:

- **For municipal and other property taxes (excluding school taxes) per capita, Regina ranked 9th out of 24 cities.**

2007 Tax Level on Sample Home – Total Municipal Tax Levy

		Total 2007 Tax Levy			
City	Province	Municipal	Other[4]	Total	Rank
Calgary	Alberta	945	-	945	1
Medicine Hat	Alberta	991	15	1,006	2
Edmonton[6]	Alberta	1,131	-	1,131	3
Red Deer	Alberta	1,217		1,217	4
Surrey [2]	British Columbia	1,022	230	1,252	5
Winnipeg [5][6]	Manitoba	1,275	-	1,275	6
Saskatoon [5]	Saskatchewan	1,168	131	1,299	7
Lethbridge	Alberta	1,295	22	1,317	8
Regina [5]	**Saskatchewan**	**1,265**	**140**	1,405	9
Burnaby [2] [3]	British Columbia	1,264	262	1,526	10
Halifax[6]	Nova Scotia	1,366	164	1,530	11
St. John's	Newfoundland	1,540	-	1,540	12
Grande Prairie	Alberta	1,576	9	1,585	13
Victoria [2]	British Columbia	1,627	388	2,015	14
Vancouver[2] [3]	British Columbia	1,685	412	2,097	15
Toronto[6]	Ontario	2,143	-	2,143	16
Saint John	New Brunswick	2,165	-	2,165	17
Laval	Quebec	2,200	-	2,200	18
Montreal	Quebec	2,279	-	2,279	19
Fredericton	New Brunswick	2,319	-	2,319	20
London	Ontario	2,233	141	2,374	21
Ottawa	Ontario	2,383	-	2,383	22
Brampton	Ontario	1,269	1,386	2,655	23
Hamilton	Ontario	2,704	-	2,704	24

Notes:

1. *The sample house is defined as a 25 to 30 year-old detached 3-bedroom bungalow with a main floor area of 1,200 square feet, finished full basement and a double car garage, on a 6,000 square foot lot.*
2. *Grant is $570 for school level for homeowners with age 64 years or under and $845 for senior citizens or handicapped.*
3. *Based on the averaged value of single-family houses, which may not correspond to the sample house described above.*
4. *Other includes regional and other tax levies.*
5. *Grant is for school levy. For Regina and Saskatoon the grant for 2007 was 10% of school tax.*
6. *Based on the median value of single detached houses; which may not correspond to the sample house described above.*

- **For the total tax levy per capita, Regina is 15th out of 24 cities.** For this calculation, the total tax levy includes property, education and business tax. Several of the cities (St. John's, Edmonton, Calgary and Winnipeg) levy a business tax.

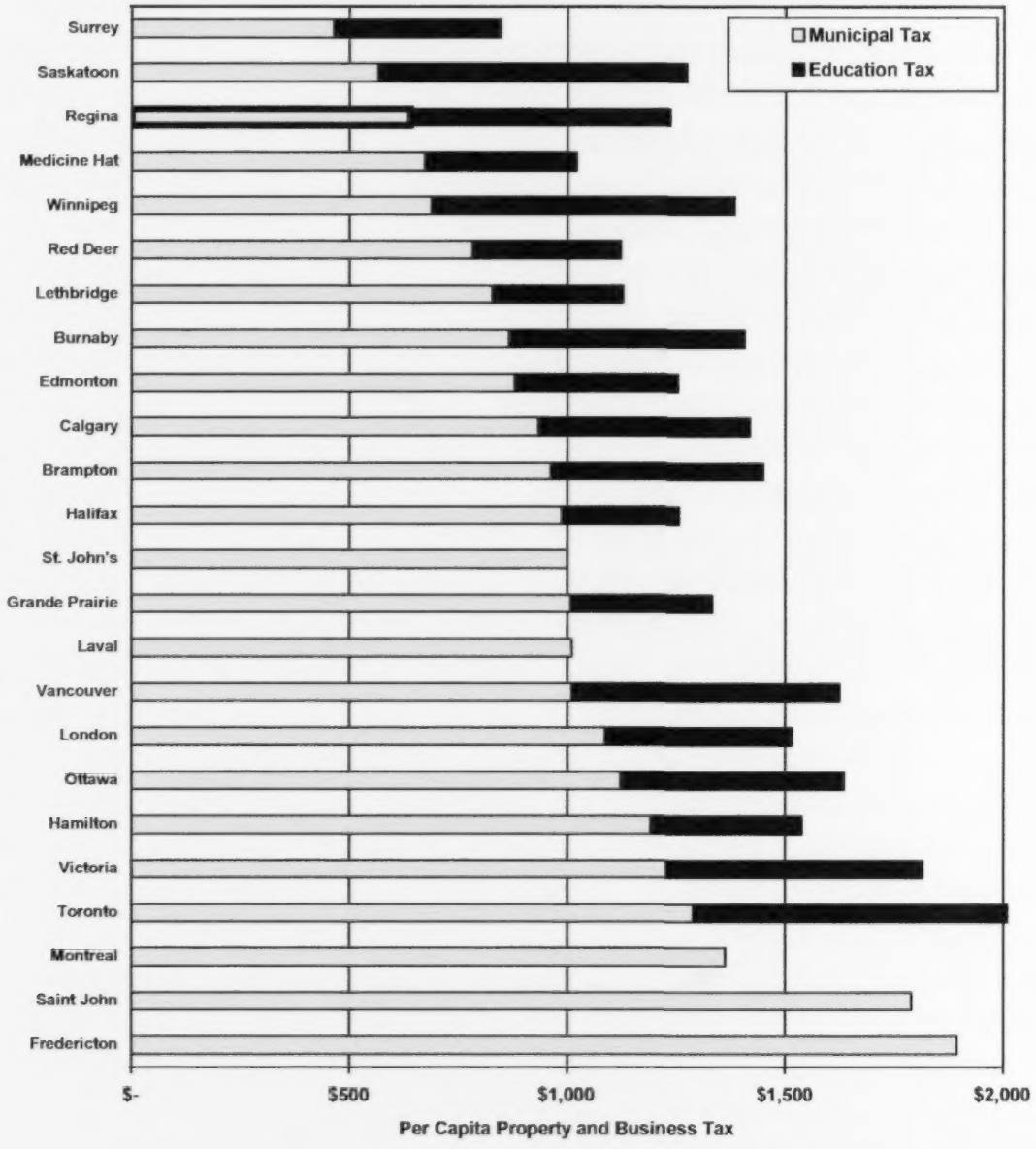
2007 Tax Level on Sample Home – Total Tax Levy

		Total 2007 Tax Levy						
City	Province	Municipal	School	Other[4]	Total	Grants /Credits	Net Property Tax	Rank
St. John's	Newfoundland	1,540	-	-	1,540		1,540	1
Surrey [2]	British Columbia	1,022	910	230	2,162	570	1,592	2
Medicine Hat	Alberta	991	659	15	1,665		1,665	3
Calgary	Alberta	945	844	-	1,789		1,789	4
Edmonton[6]	Alberta	1,131	681	-	1,812		1,812	5
Red Deer	Alberta	1,217	615		1,832		1,832	6
Lethbridge	Alberta	1,295	568	22	1,885		1,885	7
Burnaby [2] [3]	British Columbia	1,264	962	262	2,488	570	1,918	8
Winnipeg [5][6]	Manitoba	1,275	1,254	-	2,529	525	2,004	9
Halifax[6]	Nova Scotia	1,366	622	164	2,152		2,152	10
Saint John	New Brunswick	2,165	-	-	2,165		2,165	11
Grande Prairie	Alberta	1,576	601	9	2,186		2,186	12
Fredericton	New Brunswick	2,319	-	-	2,319		2,319	13
Victoria [2]	British Columbia	1,627	895	388	2,910	570	2,340	14
Regina [5]	**Saskatchewan**	**1,265**	**1,308**	**140**	**2,713**	**131**	**2,582**	**15**
Saskatoon [5]	Saskatchewan	1,168	1,626	131	2,925	163	2,762	16
Laval	Quebec	2,200	627	-	2,827		2,827	17
London	Ontario	2,233	488	141	2,862		2,862	18
Vancouver[2] [3]	British Columbia	1,685	1,347	412	3,444	570	2,874	19
Montreal	Quebec	2,279	705	-	2,984		2,984	20
Ottawa	Ontario	2,383	676	-	3,059		3,059	21
Toronto[6]	Ontario	2,143	961	-	3,104		3,104	22
Hamilton	Ontario	2,704	581	-	3,285		3,285	23
Brampton	Ontario	1,269	752	1,386	3,407		3,407	24

- **Regina's per capita taxes are lower than the average of the 24 cities for all per capita tax measurers other than education taxes per capita.**

The next graph provides information on the per capita property and business taxes (municipal and education) for the cities that participated in the 2006 City of Edmonton Tax Survey

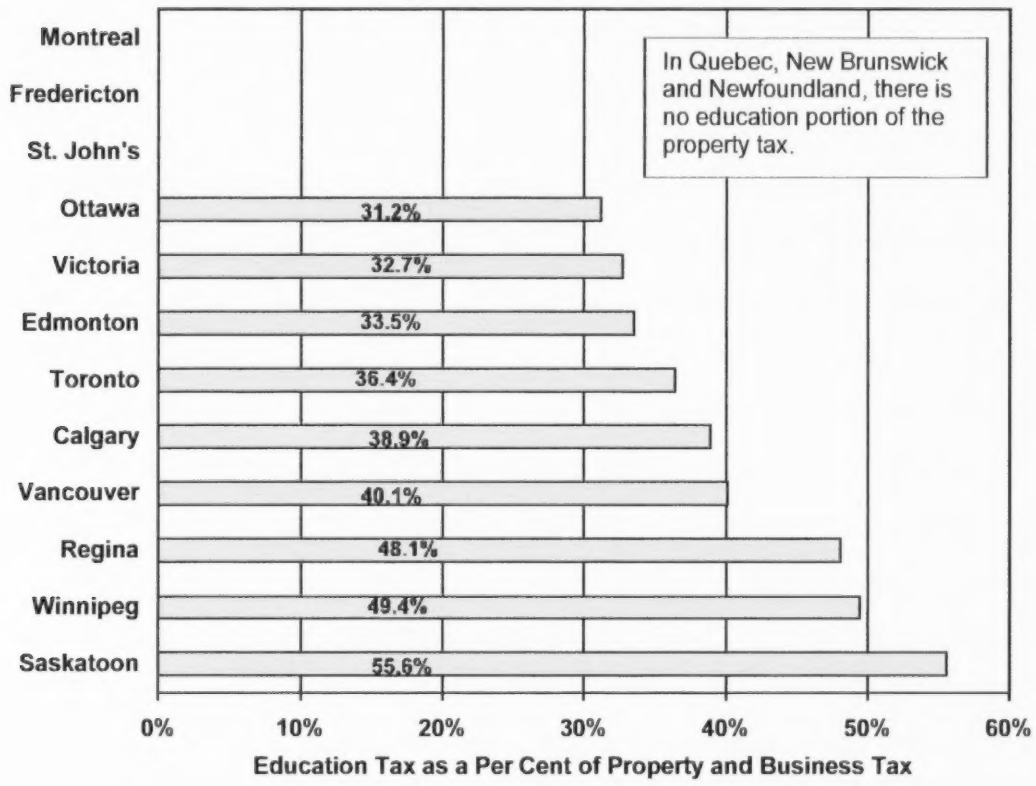
Per Capita Property and Business Tax
(Data from 2006 City of Edmonton Tax Survey)



Historically, one challenge for the City has been the relatively high levels of education tax in Saskatchewan compared to other provinces, as well as the lack of understanding regarding the portion of the property tax bill levied by the City of Regina. **For education property taxes per capita, Regina ranked 22nd out of 24 cities, with Saskatoon at 24th.**

In Saskatchewan, the education share of property taxes is higher than other provinces, creating added pressure on property tax levels. The portion of local taxes (property tax and for some cities a business tax) used to fund education costs varies significantly from city to city. The following graph compares the percentage of the total property and business tax dedicated to education in various cities. The information is taken from the 2007 City of Edmonton Tax Survey.

Education Share of Property and Business Taxes – 2007



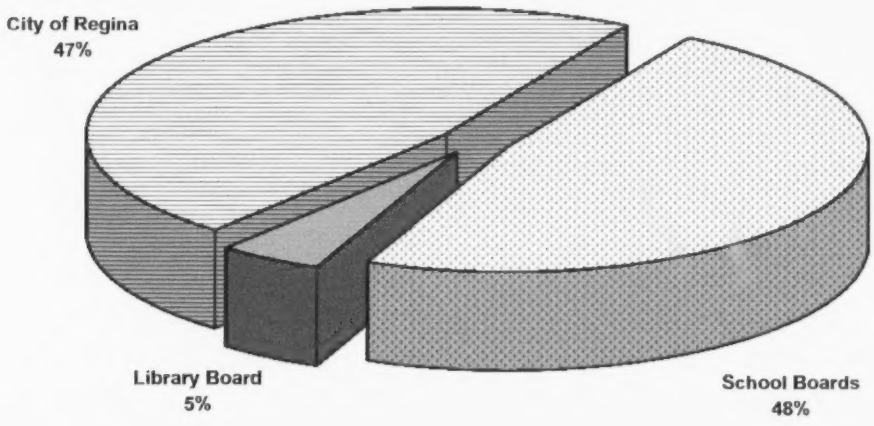
The Province implemented an Education Property Tax Credit for 2005 and 2006; and announced an extension of the program for two years in the 2007 budget. The tax credit reduced the education taxes, subject to a limit of $2,500 on commercial/industrial and multiple family residential properties. The credit was increased to 10% for 2007.

The 2008/09 Provincial Budget announced an increase in the education tax credit to 12% for residential properties. As a result, Regina residential tax payers will see a 12% credit on their Education Property Tax. The credit program represents a favorable development as it provides recognition of the issue as a provincial issue.

The Provincial Budget also announced a commitment to further address the education tax issue in Saskatchewan over the next four years.

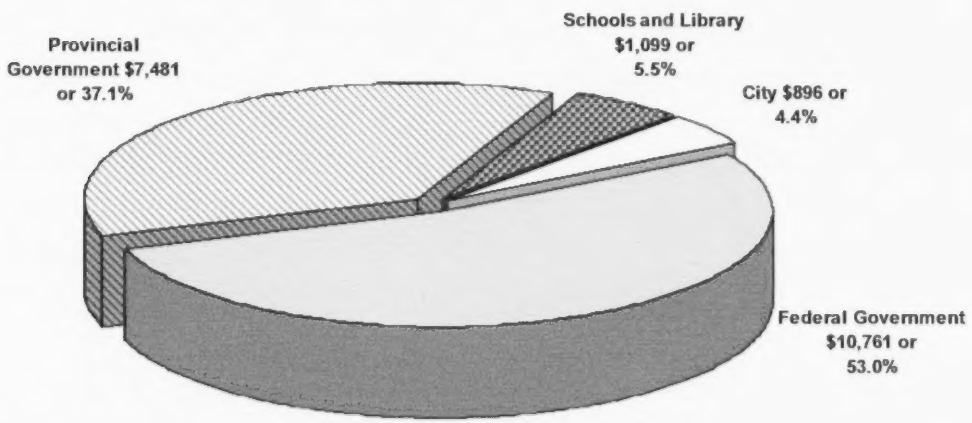
In the 2005 public survey, only about 10% of those responding recognized that half of the property tax revenue went to the school boards, another 45% did not know and 45% provided a wrong answer. In the 2007 survey there is still a significant portion of the respondents who did not know that there are other taxing authorities such as the school boards and the library. The next graph shows the distribution of property taxes in Regina for 2007.

Distribution of Property Taxes – 2007



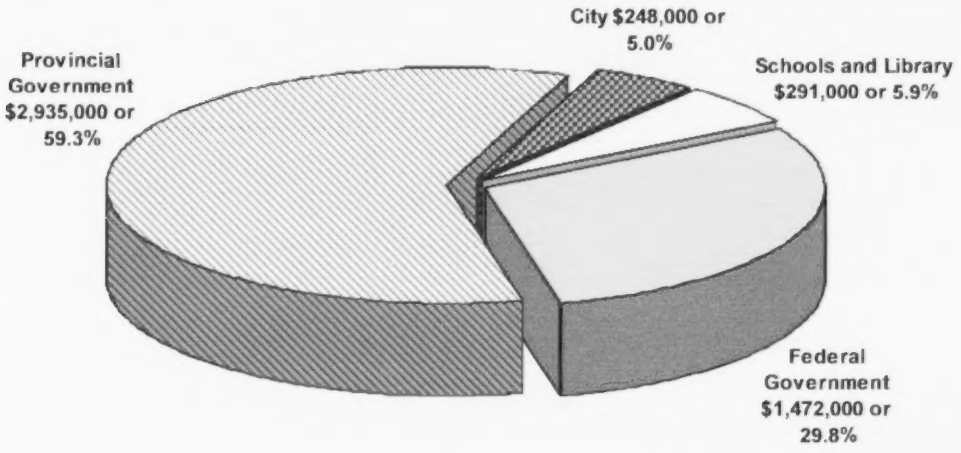
There is also a general lack of understanding about the distribution of taxes collected by the various levels of government. Governments rely on taxes as their major source of revenue. The next two graphs provide background information on the distribution of taxes between the various levels of government. The following graph is from a report prepared for the City of Regina by SaskTrends Monitor. The distribution of taxes is for Regina residents (for a household), and does not reflect the taxes paid or generated by commercial activity.

Distribution of Taxes Paid by Regina Residents
(Taxes per household of $20,237 – 2000 Data)



The next graph is from another report prepared by SaskTrends Monitor for the City of Regina. The report estimated the ongoing taxes generated by a major retail development.

Distribution of Ongoing Taxes - Sample New Retail Development
(Total Taxes of $4,946,000)


City $248,000 or 5.0%
Schools and Library $291,000 or 5.9%
Provincial Government $2,935,000 or 59.3%
Federal Government $1,472,000 or 29.8%

Electrical and Natural Gas Revenues

External revenues such as gas and electrical revenues account for about 15.7% of total revenues. The City has no control over these revenues as the Province also sets gas and electrical rates. These rates are the major determinant in the level of gas and electrical revenues received by the City. While recent rate increases have added to City revenues, the markets are extremely volatile, and rate increases increase the costs for residents and businesses in Regina. For 2008, electrical revenues are projected to increase by about $590,000, but that will be offset by a projected decrease of $1.2 million in gas revenues as a result of a decrease in the price of natural gas from 2007.

Licenses and Levies

Under the provisions of The Cities Act, the City is limited to charging license fees only to the extent that the fees cover costs. Recent license fee increases, such as those approved for business licenses in 2007 and animal control effective January 1, 2008 have been important in providing revenues to cover the costs of administering the license regime. But these revenues are not available to be used for other sources.

Similarly, certain service and user fees are limited only to the cost of providing those services.

Tax penalties have also decreased in recent years as the City has made strides in reducing tax arrears. Arrears as a percentage of the total tax levy dropped from 3.32% in 2002 to 1.5% at the end of 2007.

Provincial and Federal Operating Grants

Operating grants from the Provincial and Federal Governments account for 6.9% of 2007 revenues. Efforts of organization such as the Federation of Canadian Municipalities, the Conference Board of Canada and the Canada West Foundation have helped to inform and advance recognition of the need for strategic investment in cities so they can fulfil their potential as engines of sustainable national growth. Federal capital programs such as the gas tax funding and the Public Transit Trust funding are providing much needed assistance to the City in addressing infrastructure requirements. However, these funds represent less than the City's capital requirements on an annualized basis, and they are intended to augment the City's investments, not replace them. Consequently the funds do not directly reduce the City's requirements for operational funding.

Despite the increase in unconditional operating funding received from the Provincial government in the form of Revenue Sharing for 2008, it has only just this year recovered to pre-1990 levels. In 1986, Regina received $16.2 million compared to the $18.2 level for 2008.

It is apparent that both the Provincial and Federal governments recognize the need to address municipal requirements. During 2006 and 2007, both levels of governments focused considerable effort in dialogue and policy development toward that end. It is critical that those efforts develop into long term, stable funding mechanisms.

The recent increases in funding provided by the Federal and Provincial Governments are positive steps toward recognition of the imbalance in the distribution of total taxes paid within the community. It is critically important that this trend continue.

Expenditure Challenges

Each year, City Council must consider the level of expenditures to fund programs and services, including the capital requirements related to those programs and services. Expenditure challenges include:

- **Growth in the community**. While it is generally perceived that any increase in expense resulting from the physical growth of the city would be covered by additional tax revenues, that is not the case. There are required increases in the budgeted operating expenditures for areas such as waste collection and additional open space. But the most significant impact on the budget from growth is in the area of capital requirements for road network improvements.

- **Increases in salary and benefit costs.** The collective agreements for all civic unions (CUPE Local 7, CUPE Local 21, Amalgamated Transit Union Local 588, Civic Middle Management, and the International Association of Fire Fighters Local 181) expired at the end of 2006. The City concluded negotiations with CUPE Local 7, CUPE Local 21 and the Amalgamated Transit Union Local 588. Those settlements reflect the higher labour costs seen in other public sector organizations as well as across the labour market in general. While CMM and IAFF Local 181 Contracts are currently in arbitration processes, increases similar to the other bargaining units should be expected. The City is facing the same impacts as other employers from the shortage of labour resulting from demographic trends and the economic growth in Western Canada.

- **Education and Training Costs.** The City has experienced significant turnover over the past two years in all areas of the corporation, but particularly in the Fire Department and other front line areas. This, as well as evolving regulations, standards and other requirements continue to increase the need for staff training.

- **Increases in the price of fuel (30%), asphalt, (15%) electricity (6%) and construction and engineering services (15% or more in specialized areas)** have exceeded the general inflation rate. While the general inflation rate is running at 2%, this is an average of price increases in the service

sector exceeding 10%, offset by a decrease in consumer goods prices. The City's inputs are heavily weighted in service and resource based goods.

- There are also cost pressures as a result of **changing community interests, regulatory requirements, standards and expectations.**

- **Many local arts, cultural, sporting, community and charitable organizations are faced with fiscal pressures.** There has been an increase in the number of organizations seeking support through tax exemptions or capital or operating grants.

- **There continues to be a significant "infrastructure gap".** As outlined in the 2008 – 2012 General Capital Investment Program document, the City has identified funding for only about half of its infrastructure requirements over the next ten years. Continuing delays in addressing the infrastructure gap will cause that gap to grow exponentially.

- The City has **significant unfunded liabilities for vested sick leave, accumulated vacation credits, service pay and banked overtime**. At the end of 2007, the liabilities for these costs were estimated at $23 million ($24 million at the end of 2006). As a growing proportion of the City's workforce reaches retirement age, the cash flows required to pay off this liability will grow. Payments for these items for 2006 totalled about $4.2 million compared to $1 million that had historically been experienced. Projections for 2008 indicate that at least $1.2 million will be required. While 2006 likely represented a peak, demographic trends indicate there will be a significant cash flow impact over the next few years. Divisions are required to absorb these costs in their existing budgets.

- The City has **significant unfunded liabilities for pension and benefit plans**. At the end of 2006, the City's share of the liability for the Police Pension Plan and Chief of Police Pension Plan was about $2.8 million, compared to $5 million at the end of 2005. 2007 year end information is not yet available.

- The City is not required pursuant to accounting standards to account for a liability with respect to multiple employer pension and benefit plans such as the Civic Pension Plan and the Long Term Disability Plan, however, the liability is significant. The employers' contribution rate dropped by .5% effective January 1, 2007, but remains relatively high and contributes pressures both in terms of contribution costs and in the recruitment and retention of employees.

- **Citizens do not want service cuts. Overall, the community supports the level of City services (93.8% in 2007) and has a high rating for the services provided. Regardless of these ratings, there are two realities the City faces:**

  - On those occasions when the City considers the elimination or a reduction in an existing service level, there is typically a segment of the community opposed to the change.

  - Some in the community are of the view that expenditures can be reduced. However, most individuals or groups are not willing to reduce expenditures on the services they use. All those in the community do not use every service provided by the City, but all services are used by a segment of the community.

Budget Options

Faced with a gap in revenues and expenditures, there are limited long-term options for City Council. These include:

- **Increase the revenue generated.** The increase can be for existing revenue sources, external contributions from senior governments or other sources, or through the authority for new alternative sources of revenue.

- **Decrease expenditures** through one or more of the following approaches:

  - Eliminate a service or reduce the level of service provided.
  - Reduce the cost of providing the service, either through reducing the costs of wages, goods and services to deliver the service, or through considering alternative service delivery, including contracting with external parties to provide the service.
  - Reduce the current contribution to capital, using debt for capital projects with long-term benefits so that the benefit and cost is shared over the long term. This approach has been used to a certain extent in developing the 2008 budget.

Over the past number of years, the City of Regina, along with the other cities in the Province, has requested authority for alternative revenue sources. Potential new revenue sources are a local fuel tax, a local vehicle surcharge, a share of gaming revenues, a hotel tax and a local sales tax. Cities in other provinces have pursued new revenue sources. Implementation of such authority would require legislative change, which will not occur in time for implementation in the 2008 budget.

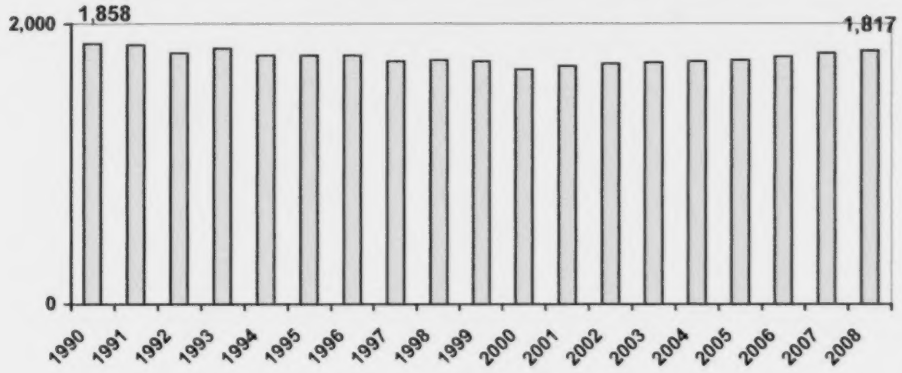
City Council has limited choices, other than through an increase in the mill rate to generate additional revenue. For many revenue sources, City Council has no control over the revenue generated.

City Council does have a choice to reduce expenditures. There are, however, certain realities to consider:

- A reduction in expenditures will result in either a reduction in direct services to the public, or a reduction in activities that support the provision of services to the public.

- A reduction in expenditures will in most instances lead to a reduction in staff. Salaries and wages is the largest portion of the operating and capital budgets. It is important to note that City staff levels in 2008 were less than they were in 1990, even with the additional staff requested in the 2008 Utility and General Operating Budgets:

Civic Staffing Levels (including Water & Sewer Utility)

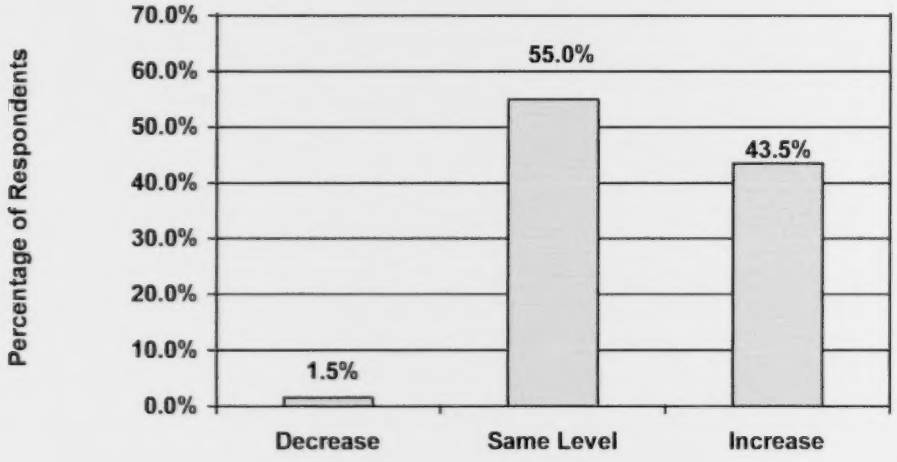


If there are significant expenditure reductions to be made, it will take time (and some cost) to implement the reductions. There is likely a period of 6 to 12 months before the full benefit of expenditure reductions would be achieved.

- The Core Services Review has identified $3.9 million in savings since 2005. While the review's recommendations continue to be implemented on an ongoing basis, the opportunity for significant savings on a short term basis is reduced.

The 2007 survey indicated that generally, Regina residents appear content with the level of services provided to them, with the majority (55%) suggesting the status quo for service level. However, 43.5% of respondents would support increased services, an increase of almost 10% over the past two years. Only 1.5% would favour a decrease in services, and only seven respondents suggested a specific service to be dropped.

Do you think the City should increase services, decrease services, or keep them at the same level?



Budget Risks

It is important that budget choices are sustainable. From a fiscal perspective, the key consideration for City Council is the extent that the budgets are funding ongoing expenditures with ongoing revenues, and matching one-time or limited term expenditures with one-time revenues or funding sources. To the extent that budgets do not fully fund planned expenditures, or ongoing expenditures are being funded with one-time revenues, Council is shifting the budget burden to future years.

There are budget risks for 2008. These include:

- Many of the City's revenues and expenditures are subject to change due to external influences. Many factors impact revenues and/or expenditures including the weather, the cost of fuel, interest rates, gas rates and electrical rates. There could be positive or negative variances in 2008 due to these factors.

- There is some risk that assessment appeals will reduce actual tax revenue during 2008. This risk is lower than in previous years because of a lower number of appeals filed for 2008.

- Inflationary pressures from the Western Canadian construction market may undermine the spending power in the budget.

- The City has significant unfunded liabilities for sick leave and vacation which are payable upon termination of an employee. These amounts are not budgeted for and are typically covered through savings from staffing vacancies.

Financial Policies and Performance Measures

Municipal governments do not exist to make a profit but to provide services to citizens. However, budgets should be evaluated to a certain extent with regard to the impact they have on the government's financial condition.

Specific financial performance measures for governments have not yet been fully developed. However, the Public Sector Accounting Board has begun to develop guidelines that citizens can use to evaluate their government's financial position. The following information reflects the draft Statement of Recommended Practices that is currently under development.

For governments, financial condition can be evaluted based on three factors:

Sustainability

> Sustainability is the degree to which a government can maintain its existing financial obligations both in respect of its service commitments to the public and financial commitments to creditors, employees and others without increasing the relative debt or **tax burden** on the economy within which it operates.

Measures of sustainability include ratios such as:

- assets to liabilities
- financial assets-to-liabilities
- net debt to total annual revenue

Municipalities typically address strategies regarding sustainability through debt policy, including maximum ratios for debt servicing costs as a percentage of operating revenues and per capita debt levels.

Flexibility

> Flexibility is the degree to which a government can change its debt or tax burden on the economy within which it operates to meet its existing financial obligations both in respect of its service commitments to the public and financial commitments to creditors, employees and others.

Measures of flexibility include the following ratios such as:

- Debt charges-to-revenues
- Net book value of capital assets-to-cost of capital assets
- Own source revenues to taxable assessment

General-purpose reserves – that is, those not linked to specific future needs – are the primary tool that municipalities use to be prepared for unforeseen circumstances and to take advantage of opportunities.

Vulnerability

> Vulnerability is the degree to which a government is dependent on sources of funding outside its control or influence or is exposed to risks that could impair its ability to meet its existing financial obligations both in respect of its service commitments to the public and financial commitments to creditors, employees and others.

One measure of vulnerability is the ratio of revenues from other orders of government to a City's own-source revenues. Others would take into consideration significant operating revenues from single sources, such as one taxpayer that makes up a significant portion of a municipality's revenues.

A strategy to reduce vulnerability would be the diversification of revenue sources. While municipalities can do this to a certain extent by attempting to draw diverse businesses, the current limitations on alternative sources of revenue reduce the viability of such a strategy and have the impact of increasing the dependency on revenues from other orders of government and property taxes.

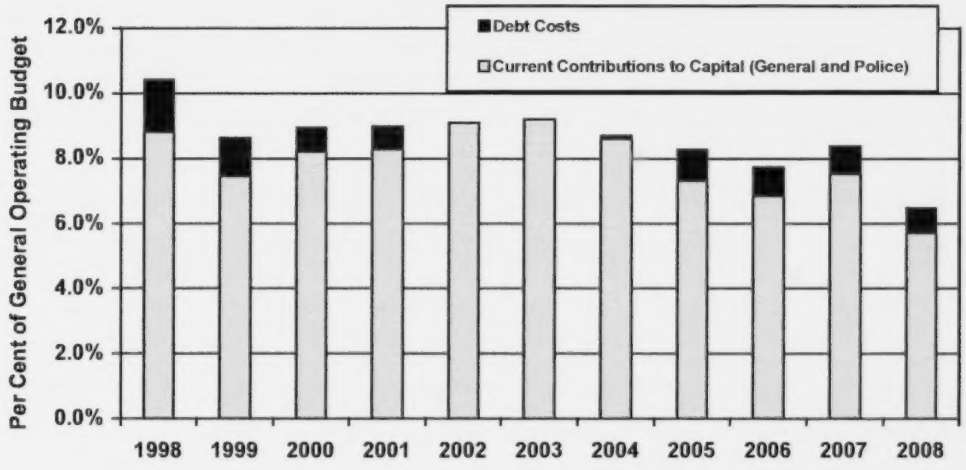
Long Term Financial Planning

During 2008, the Administration will develop, for consideration by City Council, a Long Term Financial Plan which would assist in identifying specific areas of concern, best practices, and recommended policies, particularly those relating to the financial performance measures described above. Although work on all aspects of the plan is not yet complete, there are three areas for which some analysis is available:

Capital Requirements

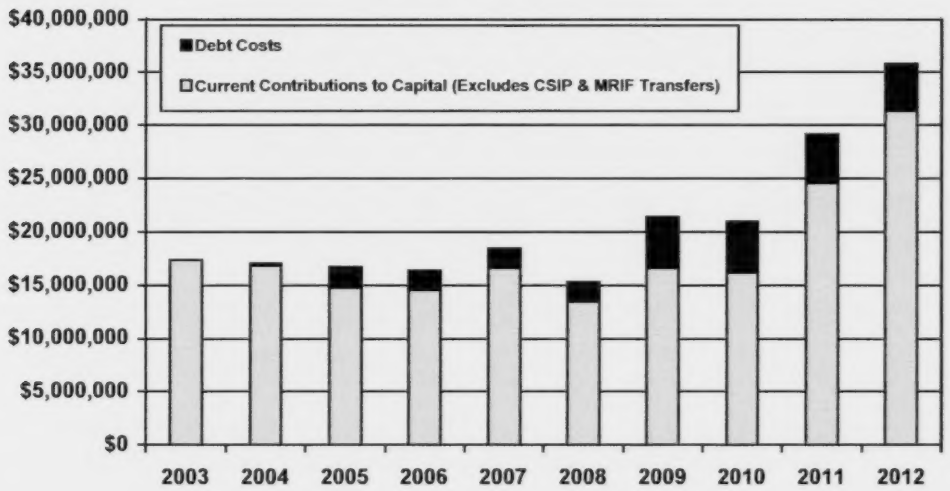
The following graph shows the annual contribution to capital from the operating budget over the past few years. It is clear that the challenge of providing capital from operating revenues has been difficult and will continue to be difficult.

Capital Funding From Current Operations – 1999 to 2008
(Per Cent of General Operating Budget)



This graph shows the projected general capital requirements over the next five years. It is important to note that this does not include all required capital. Even with this prioritized listing, it is clear that additional capital funding beyond the levels typically provided from the operating budget is required. Requirements in 2011 and 2012 will be challenging to meet.

Capital Funding Plan

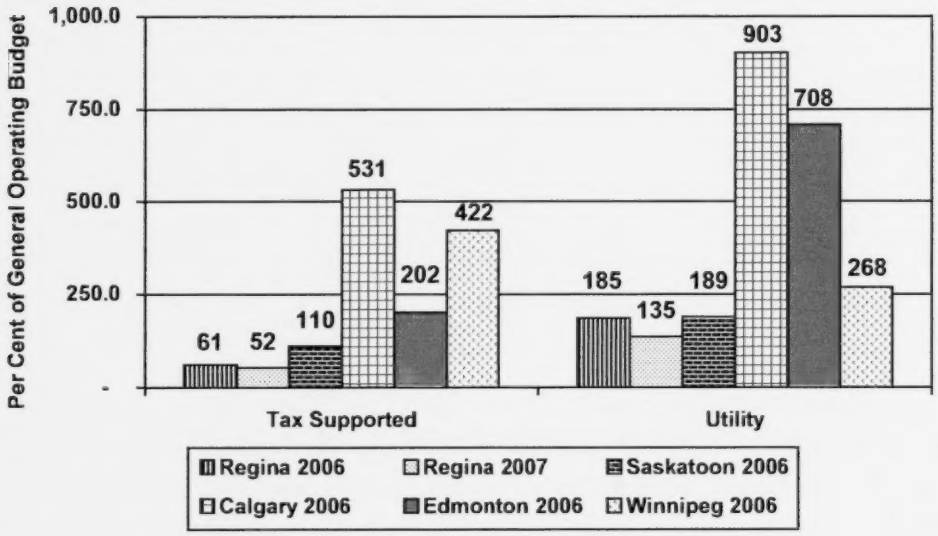


Debt Levels

Low debt levels provide flexibility and reduce vulnerability for a municipality. However, a municipality limited to strictly pay as you go financing for capital projects will be challenged to maintain sustainability, as it is difficult to raise sufficient funds in advance of requirements for infrastructure. The use of debt, like a mortgage, can allow a municipality to spread out the cost of capital investments over the period of benefit. Regina has relatively low levels of debt compared to other cities, both before and after taking into account the levels of debt in the 2008 – 2012 General and Utility Capital Budgets. With relatively low interest rates, more municipalities are increasing the use of debt as a method of financing infrastructure requirements.

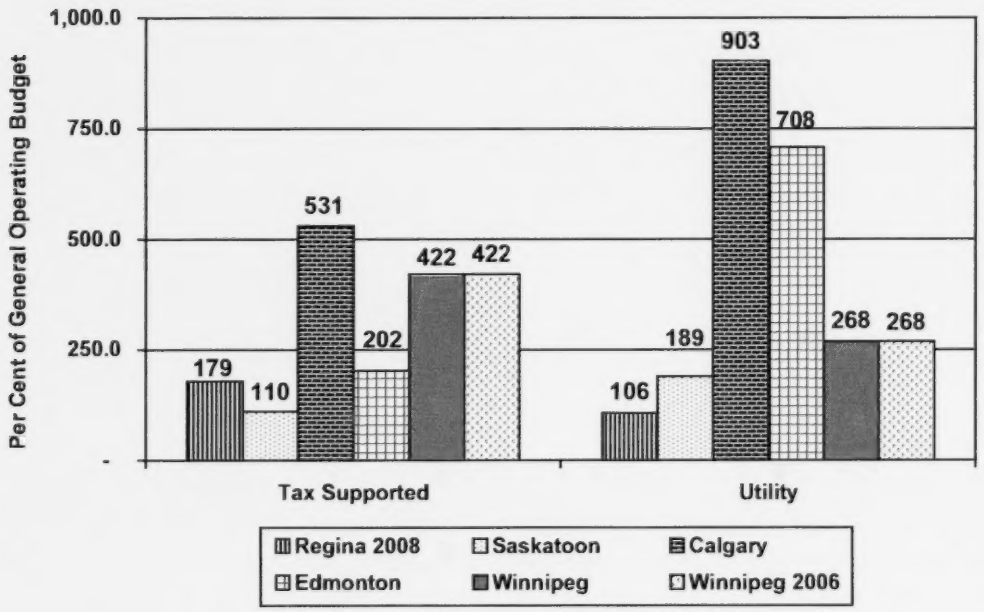
This graph shows Regina's projected debt levels assuming no additional borrowing for General Capital:

Regina's Debt Levels – Comparisons to Other Cities
(per capita – Regina projected 2008 – other cities 2006)



The following graph shows Regina's projected debt levels with the $25.5 million in borrowing projected for 2008, including $20 million for Ipsco Place and $5.5 million for other General Capital projects:

Regina's Debt Levels – Comparisons to Other Cities
(per capita – Regina projected 2008 – other cities 2006)

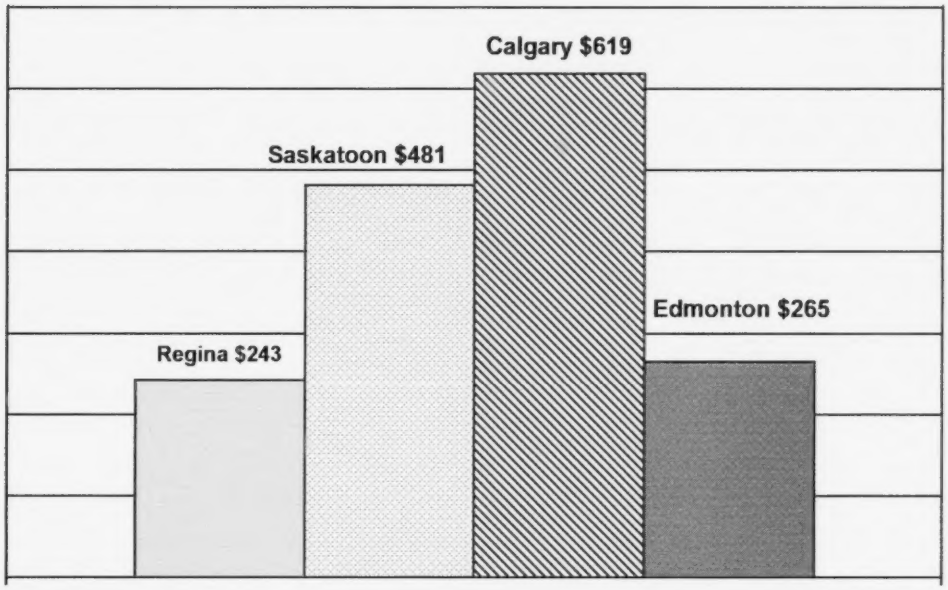


Reserve Levels

The City does not have extensive reserves. Although the 2007 ending balance in the General Fund Reserve was $22.9 million as a result of a number of one-time inflows, the City's overall level of reserves is relatively low compared to other Western Canadian cities. In addition, the City's reserve balances have decreased significantly over the three years prior to 2006, primarily because of the City's contribution for the Wascana Lake Deepening and the Credit Union Eventplex projects.

The following graph provides a comparison of Regina's reserve levels compared to other Western Canadian cities:

Regina's Reserve Levels – Comparisons to Other Cities
(Per Capita)



The next table is a summary of the City's reserve balances for the last five years. There was a substantial decrease in the overall reserve balances of about $14 million from 2003 to 2004, with an increase in the past two years.

Reserve Balances ($000's)

	2003	2004	2005	2006	2007
General Reserves:					
General Fund Reserve	18,898	8,490	10,414	19,216	22,928
General Utility Reserve	6,175	6,981	5,118	7,020	13,783
Subtotal	25,073	15,471	15,532	26,236	36,711
Specific Purpose Reserves:					
Landfill Reserve	6,841	7,177	9,300	10,415	12,614
Equipment Replacement Reserve	4,989	2,409	1,353	371	358
Winter Road Maintenance Reserve	3,452	2,502	1,427	1,714	2,830
Social Development Reserve	1,292	1,075	948	679	499
Cultural Heritage Special Capital Reserve	557	-	-	-	-
Other Reserves	2,970	2,475	2,448	2,646	4,265
Subtotal	20,101	15,638	15,476	15,825	20,566
Reserve Totals	45,174	31,109	31,008	42,061	57,277

Growth in certain reserves, such as the Utility, and Landfill reserves in the past two years reflects the planned approach to providing for future capital requirements. The 2008 – 2012 General Capital and Utility Capital budgets reflects significant capital funding to be provided from reserves to fund required infrastructure investment. As well, there is a requirement for significant funding from the General Fund Reserve for Industrial Land Development, as shown in the 2008 – 2012 General Capital Budget.

2007 Results

The 2007 general operating budget results reflect the positive level of economic activity in Regina during 2007, as well as the significant organizational and environmental factors experienced over the past year.

Revenues	2007 Budget	2007 Actual	Variance	Percentage
Taxation	121,179.6	122,849.5	**1,669.9**	1.38%
Government Grants and Transfers	17,525.5	17,608.9	**83.4**	0.48%
Licenses, Levies and Fines	7,666.0	8,246.2	**580.2**	7.57%
Fees and Charges	26,886.8	30,893.4	**4,006.6**	14.90%
Other Revenue	47,606.4	48,076.5	**470.1**	0.99%
Total	220,864.3	227,674.5	**6,810.2**	3.08%

Expenditures	2007 Budget	2007 Actual	Variance	Percentage
City Council and Committees	1,370.4	1,206.9	**-163.5**	-11.9%
Community Investments	4,705.0	4,978.0	**273.0**	5.8%
Capital Funding	18,518.0	18,518.0	**0.0**	0.0%
Office of the City Manager	7,358.0	7,102.2	**-255.8**	-3.5%
Corporate Services Division	23,102.5	22,796.9	**-305.6**	-1.3%
Community & Protective Services Division	79,120.3	78,275.1	**-845.2**	-1.1%
Planning & Development Division	4,591.9	4,989.8	**397.9**	8.7%
Public Works Division	32,594.8	34,359.6	**1,764.8**	5.4%
Subtotal	171,360.9	172,226.5	**865.6**	0.5%
Police Department	49,503.4	50,300.3	**796.9**	1.6%
Total General Operating	220,864.3	222,526.8	**1,662.5**	0.8%
2007 General Operating Surplus	0.0	5,147.7	**5,147.7**	2.3%

The overall general operating surplus of $5.1 million represents 2.3% of total revenues. At the end of 2006, the City experienced high levels of staff turnover from retirements and terminations as a result of demographics and changes in the Civic Pension Plan. At the same time, an executive leadership team was recruited and a major restructuring of various divisions and departments was undertaken. This, combined with the hot labour market during 2007, resulted in a higher than usual vacancy rate. The vacancy rate resulted in deferrals in the timing of both operating and capital expenditures, resulting in greater than anticipated interest revenues.

Tax Revenues were $1.7 million greater than budget, primarily because of successful resolution of assessment appeals outstanding from 2005 combined with some additional assessment beyond the 2007 estimates.

Licenses, Levies and Fines were about $600,000 greater than budget primarily because of increases in the volume of parking tickets and court fines.

Transit Revenues increased by about $330,000 due to higher ridership than anticipated.

Landfill and recycling revenues were approximately $600,000 higher than budget, offset by higher landfill operating costs. Landfill net operating revenues are transferred to the landfill reserve, which is reflected as a higher expense.

Interest revenue was approximately $800,000 higher than budget because of higher cash balances due to the lag in capital and operating expenditures as a result of staffing vacancies.

Regina Police Service revenues were approximately $800,000 higher than budget, primarily because of increased third party and grant funding, offset by higher costs for the programs implemented from the funding.

The 2008 budget projections have been adjusted as required based on the 2007 actual results.

Total operating costs, including transfers to the Landfill Reserve and the Winter Road Maintenance Reserve, were approximately $1.6 million higher than the budget. Overall, salary and benefits were approximately $2.5 million less than budget because of vacancies. Transit costs were approximately $500,000 underbudget as a result of lower than anticipated fuel prices and usage. This was offset by increased landfill, and police costs as well as $233,000 in additional Community Investments approved by City Council during 2007.

Of the winter road maintenance budget of $4,598,200, a total of $3,483,400 was spent, resulting in a transfer of $1.1 million to the Winter Road Maintenance Reserve. The balance in the reserve at the end of 2007 is $2.8 million.

Net revenues less expenses and transfers to various reserves totalled $5.1 million. The surplus, although primarily relating to one-time items, or for which new information has been incorporated into the 2008 budget projections, provide City Council with some flexibility in addressing the 2008 budget.

The 2008 general operating budget proposes the use of a portion of the 2007 surplus as follows:

- $1.4 million to be used to fund one-time items in the 2008 general fund budget, including $200,000 for additional Community Investments.
- $1.7 million to be established as a capital reserve, dedicated towards funding projects including those identified under the Recreation Facility Strategy to 2020 and other future capital requirements.

The balance would be used to help build the General Fund Reserve. While work on the Long Term Financial Strategy is underway, and although specific targets for reserve balances have not yet been developed, a minimum General Fund Reserve Balance of $12 million would reflect 5% of General Operating Revenues.

Conclusion

The 2008 General Operating Budget provides the funding for significant progress towards achieving City Council's Vision:

Imagine Regina 2020
Canada's most...
Vibrant,
Inclusive,
Attractive,
Sustainable community
Where people live in Harmony
And Thrive in opportunity.

It has been developed with a focus on the strategic priorities identified in the Corporate Strategic Plan – Accelerating Excellence:

- Managing Growth and Community Development
- Strengthening City Infrastructure and Managing Assets
- Achieving Operational Excellence
- Ensuring Organizational Capacity and Effectiveness

The 2007 General Operating surplus provides some flexibility to moderate the required mill rate increase and to strengthen the City's reserves to provide for future capital requirements. The budget also includes the use of relatively modest debt levels to permit the City to move forward with priority projects with long term benefits to the Community – such as Ipsco Place and street infrastructure renewal. Regina is in the midst of an exciting period of growth and the 2008 budget includes funding necessary to meet those demands as well as make some progress on the infrastructure gap.

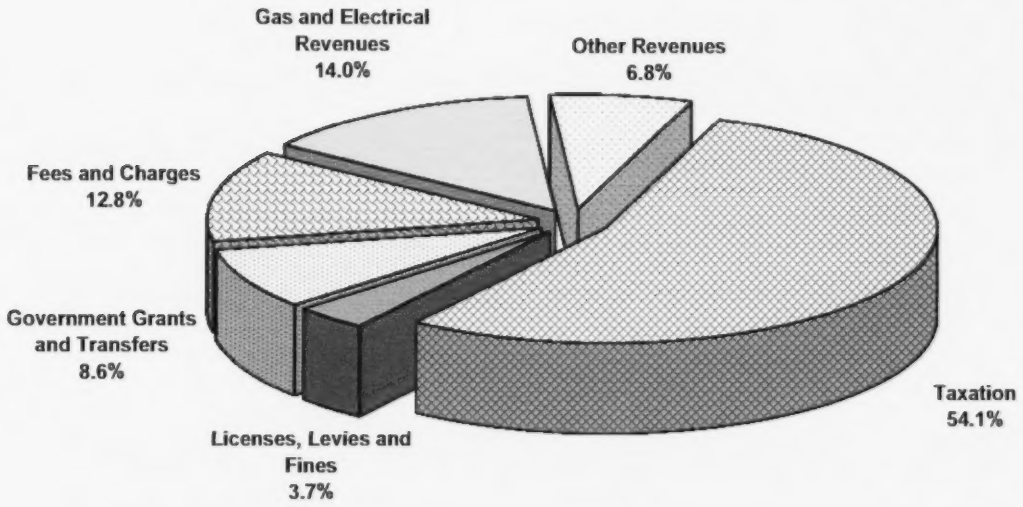
General Operating Revenues

General Operating Revenues

Operating Revenue Summary ($000's)

Revenue Category	2007 Budget	2007 Actual	2008 Budget	Change 2007 to 2008 Dollar Change	Change 2007 to 2008 Per Cent Change
Taxation	121,179.6	122,849.4	**127,502.2**	6,322.6	5.2
Government Grants and Transfers	17,525.5	17,627.5	**20,218.5**	2,693.0	15.4
Licenses, Levies and Fines	7,666.0	8,246.0	**8,702.8**	1,036.8	13.5
Fees and Charges	26,886.8	30,875.6	**30,165.1**	3,278.3	12.2
Other Revenue	47,606.4	47,891.6	**49,079.2**	1,472.8	3.1
Total	220,864.3	227,490.1	**235,667.8**	14,803.5	6.7

2008 Operating Revenues


Gas and Electrical Revenues 14.0%
Other Revenues 6.8%
Fees and Charges 12.8%
Government Grants and Transfers 8.6%
Taxation 54.1%
Licenses, Levies and Fines 3.7%

Highlights with respect to the 2008 revenue budget are:

- **The mill rate increase for 2008 is 2.84%.**
- **The 2008 Budget has been prepared including the increase to the Revenue Sharing Grant of $1.2 million as provided in the 2008/09 Provincial Budget and an additional $1.3 million added subsequently.**
- **Gas and electrical revenues are projected to decrease by $648,600.** The projected decrease is based on the decrease in natural gas rates that occurred in November of 2007, offset by a small

increase in electrical rates. No further rate changes are assumed in the projections. The natural gas market is extremely volatile so significant variances may occur.

- **The transfer from the General Fund Reserve is $2,051,200**. The 2008 transfer includes:
  - $396,000 to fund the costs of preparation for the 2009 reassessment,
  - $200,000 for additional community investments funding for Executive Committee, to provide a transition of funding until the new Community Investment Policy is prepared and adopted by City Council,
  - $1.4 million in funding from the 2007 surplus, and
  - $20,000 for the 2008 portion of a multi-year commitment for Government House which will end in 2009.

- **The utility surplus transfer for 2008 is $5,030,400, an increase of $178,200 over 2007**. The budget retains a transfer of $675,000 from the Water and Sewer Utility related to the additional GST rebate implemented by the Federal Government in 2005.

The following table is a detailed list of 2008 revenue sources for the General Operating Budget. The table outlines the amount of revenue, along with an analysis of the factors that determine the revenue generated from those sources. For some revenue sources City Council controls one or more of the factors that determine the revenue generated, although there may be some restrictions in legislation or regulations. For some revenue sources (gas revenues, electrical revenues, interest earnings and government grants), City Council has no control over the revenue generated.

General Operating Revenues					
Revenue Source	**Factors Determining the Amount of Revenue**	**Does the City Control?**	**2008 Budget**	**Per Cent of Total**	**Cumulative Percentage**
Property Taxes (including supplementary taxes)	Assessment Growth Mill Rates	No **Yes**	117,659,900	50.0%	50.0%
Electrical Revenues	Formula for Transfers Electrical Rates Consumption	No No No	24,600,000	10.4%	60.4%
Government Grants and Transfers (includes Police & Lotteries)	Government Policy	No	20,218,500	8.6%	69.0%
Gas Revenues	Payment In Lieu Rate Natural Gas Rates Consumption	No No No	8,401,400	3.6%	72.6%
Grants-In-Lieu of Property Taxes	Assessment Growth Mill Rates Government Policy	No **Yes** No	8,162,300	3.5%	76.0%
Community and Leisure User Fees	Amount of Fee Amount of Use	**Yes** No	7,540,800	3.2%	79.2%
Waste Collection and Disposal Fees	Amount of Fee Amount of Use	**Yes** No	6,234,400	2.6%	81.9%
Transit and Paratransit User Fees	Amount of Fee Amount of Use	**Yes** No	5,769,200	2.5%	84.3%
Utility Surplus Transfer	Transfer Rate Calculation Base	**Yes** **Yes**	5,030,400	2.1%	86.5%
Interest Earnings	Interest Rates Cash Balances	No No	4,532,300	1.9%	88.4%
Fines	Fine Amount Number of Infractions Level of Enforcement	**Yes** No **Yes**	4,085,000	1.7%	90.1%

General Operating Revenues					
Revenue Source	**Factors Determining the Amount of Revenue**	**Does the City Control?**	**2008 Budget**	**Per Cent of Total**	**Cumulative Percentage**
Recovery of Administrative Costs (Utility, Pension Plans & BPWAB)	City Council Policy	**Yes**	3,102,500	1.3%	91.4%
Paved and Gravel Alley Special Tax	Levy Rates Alley Lengths	**Yes** No	2,716,000	1.2%	92.5%
Other Revenue or Fees	Amount of Fee Amount of Use	**Yes** No	6,785,000	2.9%	95.4%
Transfers From Reserves	Council Policy Availability of Reserves	**Yes** No	2,204,000	0.9%	96.3%
Recovery From Other Taxing Authorities (net of cancellations)	Transfer Rate Calculation Base	No No	1,680,000	0.7%	97.1%
Parking Meter and Permit Fees	Amount of Fee Number of Meters Amount of Use	**Yes** **Yes** No	1,409,000	0.6%	97.7%
Penalties on Taxes	Penalty Rates Outstanding Taxes	**Yes** No	1,265,000	0.5%	98.2%
Building Permit & Inspection Fees	Amount of Fee Number & Value of Permits	**Yes** No	1,100,000	0.5%	98.7%
Cemetery Fees	Amount of Fee Amount of Use	**Yes** No	852,900	0.4%	99.0%
Business and Taxi Licenses	License Fee Number of Licenses	**Yes** No	740,000	0.3%	99.3%
Amusement Tax	Tax Rate Ticket Prices Number of Tickets Sold	**Yes** No No	600,000	0.3%	99.6%
Planning and Development Fees	Amount of Fee Number of Applications	**Yes** No	473,800	0.2%	99.8%
Animal Control and Impoundment	Amount of Fee Number of Applications	**Yes** No	438,900	0.2%	100.0%
2008 General Operating Revenue			235,667,800	100.0%	

Each budget process involves choices with respect to costs (services provided, service costs and the method of service delivery), and the revenues available to fund the costs. Revenue choices include:

1. **Seek additional funding from the senior governments, or seek authority for new sources of revenue.** There are limits to the authority of City Council with respect to revenue options. The taxation authority for the City is limited to that provided in *The Cities Act*. The City's authority for taxes is essentially property tax, amusement tax and special taxes.

   There has been considerable discussion about cities obtaining a share of the fuel tax or other vehicle related revenues such as a vehicle surcharge. The Federal Government now provides municipalities 1.5 cents per litre of the Federal fuel tax starting in 2005, increasing to 5 cents per litre in 2009. In Alberta, Calgary and Edmonton each receive 5 cents per litre for every litre of gasoline sold in the city. In Ontario, the Province provides 2 cents per litre in 2006.

   City Council could seek additional grant funding from the senior governments. The Province has increased funding through the Revenue Sharing Grant Pool in the last three years.

An important consideration for Regina and other cities is whether it is preferable to seek additional grants or additional authority. There are significant short and long-term implications to each approach.

2. **Increase the mill rate.** The mill rate is the primary determinant for property tax revenue and grants or payments in lieu of property tax. The revenue from property tax does not increase in the same way that Federal and/or Provincial Government taxes increase. Taking the PST as an example, the revenue from PST is influenced by three factors:

   - Tax rate (currently 5% in Saskatchewan);
   - Growth in the tax base resulting from more goods and services being sold – essentially growth through an increase in the "volume" or the tax base; and,
   - Growth in the tax base as the cost of goods and services increases – essentially growth in the tax base through increases in "value or price".

   For property taxes, while the assessment base has growth each year due to the construction or renovation of buildings that generates new property taxes, there is no increase in property taxes from growth in the assessed value of properties based on market appreciation.

3. **New or increased user fees and charges, fines and license fees.** Significant rate decisions made in recent years that are reflected in the 2008 budget projections include:

   - A fee schedule (Bylaw 2007-54) for community and leisure services for the 2008 - 2010 period.
   - Increased landfill rates (Report CM07-157) for 2008 to 2011.

4. **Pursue alternative revenue options provided for in *The Cities Act* that are not currently used by the City of Regina.** Revenue options include:

   - The definition of a public utility [Section 2(cc)] includes waste management and street lighting services. During the 2002 budget process, the Executive Committee (Report EX02-15) considered the concept of a Waste Management Utility. The decision was made not to proceed with a utility. If a utility was implemented for waste management or street lighting, the cost of the services could be funded through a special charge rather than through general revenues.

     There are a number of municipalities that pay for waste collection and disposal through specific fees. The fee structures are typically either a flat fee irrespective of the amount of waste disposed, or use of a system such as the "tag a bag" system. The "tag a bag" concept could not be implemented in Regina for those portions of the city served by rear lane collection.

   - Section 8(3) of The Cities Act provides the authority for fees for licenses, inspections, permits or approvals. Section 8(4) of the legislation limits the license fees to the cost to the City for administering and regulating the activity and collecting the fees. While the City has many fees and charges, there may be opportunity for additional fees and charges. The total revenue increase available through new fees is likely minimal.

   - Section 264 of The Cities Act allows the establishment of service fees in connection with any service provided by the City. The difficulty with the legislation is that to enforce collection of the fee, the only option is to discontinue the service. For some services, discontinuance may be an option, but for many services this is not an option.

- Section 275 of The Cities Act authorizes a council to pass a special tax bylaw to raise revenue to pay for any specific service or purpose to be completed within the current year. The special tax could apply to the entire city or a portion of the city. The tax rate can be applied based on the property assessment, the frontage of a property, the area of a property or to each parcel of property. The only special tax currently levied by the City is for costs related to the reconstruction and maintenance of alleys and lanes.

- Section 279 of The Cities Act authorizes an amusement tax. While the City currently has an amusement tax, the City has chosen to limit the tax to those attending a commercial movie theatre. The tax base could be expanded to other forms of entertainment where an entrance fee or admission is charged.

If new taxes or fees are implemented, there will be increased administrative costs. The cost may be modest if existing billing and collection processes can be used. If not, the administrative cost of a new fee or tax could be substantial.

Taxation

Operating Revenue Summary ($000's)

Revenue Source	2007 Budget	2007 Actual	2008 Budget	Change 2007 to 2008 Dollar Change	Change 2007 to 2008 Per Cent Change
Municipal Property Tax	110,842.7	112,031.8	**116,859.9**	6,017.2	5.4
Payments and Grants in Lieu of Tax	7,936.9	7,894.8	**8,162.3**	225.4	2.8
Total Property Tax	118,779.6	119,926.6	**125,022.2**	6,242.6	5.3
Supplementary Property Tax	800.0	881.3	**800.0**	-	-
Recovery from Other Taxing Authorities	2,000.0	2,140.7	**2,080.0**	80.0	4.0
Tax Cancellations	(400.0)	(99.1)	**(400.0)**	-	-
Total	121,179.6	122,849.5	**127,502.2**	6,322.6	5.2

The 2008 budget for property taxes and grants in lieu of property taxes is about $127.5 million, an increase of about $6.3 million over the 2007 budget. The key assumptions or factors that impact the budget are:

- **There is an increase in the municipal mill rate of 2.84% for 2008**. The mill rate for 2008 is 18.9130, compared to 18.3907 for 2007. With no mill rate increase, tax revenues would increase by $2.6 million.

- The 2008 preliminary assessment roll is $6,673,810,400. The assessment roll was reviewed for potential risk due to corrections and assessment appeals using preliminary information obtained from appeals filed by the deadline of December 18, 2007. The volume of appeals for 2008 is lower than prior years. Based upon the review of appeals received, there is a risk of reduction in the assessment of about $49 million. This would be equivalent to a reduction in tax revenues of about $1.39 million. There is some risk that the $1.39 million will not be sufficient. The actual reduction, including potential appeals outstanding at the end of the year, could be higher.

The following table details the property tax and grants in lieu of tax revenue (budget and actual) for the last five years. The property tax revenue includes supplementary taxes.

Tax Revenue ($000's)	2003	2004	2005	2006	2007
Property Tax:					
Budget	98,184.3	99,286.7	102,907.2	105,597.0	110,842.7
Actual	95,036.5	95,734.6	101,981.2	105,714.5	112,031.8
Variance	(3,147.8)	(3,552.1)	(926.0)	117.5	1,189.1
Grants In Lieu of Property Tax:					
Budget	8,456.3	7,739.4	7,739.4	7,467.2	7,936.9
Actual	8,051.3	7,574.2	7,574.2	7,550.1	7,894.8
Variance	(405.0)	(165.2)	(165.2)	82.9	(42.1)

As a result of assessment appeal decisions within the year and allowances for outstanding assessment appeals at the end of each year, there has been significant volatility in actual tax revenue as compared to budgeted revenues. **In four of the last five years, actual tax revenues have been less than the budget.**

Mill Rates and Mill Rate Factors

Mill rates and mill rate factors serve different purposes. The mill rate, applied to the taxable assessment (including the assessment of grant in lieu properties), determines the total tax generated. Mill rate factors determine the distribution of the taxes between groups of properties. The following table is the history of mill rates, including the mill rates for the Schools and Library, over the last ten years. There have been reassessments in 1997, 2001 and 2005. Whenever a reassessment occurs, the mill rate is recalculated such that there is no change in the total taxes levied as a result of the reassessment. The annual per cent change for 2001 and 2005 in the following table is based on the mill rate for the year in comparison to the restated mill rate for the prior year.

Mill Rate History

	Municipal		Schools		Library		Total	
Year	Mill Rate	Per Cent Change	Mill Rate	Per Cent Change	Mill Rate	Per Cent Change	Mill Rate	Per Cent Change
1999	17.937	1.90%	20.189	1.90%	1.916	1.90%	40.042	1.90%
2000	18.176	1.33%	20.391	1.00%	1.935	1.00%	40.502	1.15%
2001	17.6549	-	19.5294	-	1.8795	-	39.0638	-
2002	18.4194	4.33%	19.7247	1.00%	1.9077	1.50%	40.052	2.53%
2003	18.6212	1.10%	19.7247	-	1.9745	3.50%	40.320	0.67%
2004	18.6212	-	19.7427	-	1.9745	-	40.338	-
2005	17.6987	4.00%	18.0264	-	1.8045	3.00%	37.5296	1.99%
2006	17.6987	-	18.5528	2.92%	1.9320	2.92%	38.1835	1.74%
2007	18.3907	3.91%	19.0166	2.44%	2.0267	4.90%	39.4340	3.17%
2008	18.9130	2.84%	19.7393	3.80%	2.1059	3.91%	40.7582	3.36%
Average Increase - 1999 to 2008		**1.94%**		**1.31%**		**2.26%**		**1.65%**

Mill rate factors can be established by City Council for each property class or subclass. The factors change the distribution of the total tax levied but do not increase or decrease the total tax collected. The following table shows the mill rate factors since 2004.

Mill Rate Factors

Property Class/Subclass	2004	2005	2006	2007	Proposed 2008
Residential (including condominiums)	0.8789	0.83423	0.84113	0.84803	0.85494
Multiple Family Residential	1.2693	1.27557	1.19420	1.11284	1.03147
Commercial and Industrial	1.19768	1.34557	1.34557	1.34557	1.34557
Exterior Hotels	0.61763	na	na	na	na
Golf Courses	0.7800	0.94826	0.94826	0.94826	0.94826
Agriculture	1.1900	1.34557	1.34557	1.34557	1.34557

In 2004, City Council directed that a Tax Policy be implemented to bring all residential taxes to a single rate over a five-year period beginning in 2006. Prior to 2005, the relative tax rate for Multiple-Family residential versus Other Residential property was 1.44, or about 30% higher. The impact of the Tax Policy change is an increase in the mill rate factor for Residential (including condominiums) of 0.81%; and a decrease in the mill rate factor for Multiple Family Residential of 7.31%.

Property Assessment

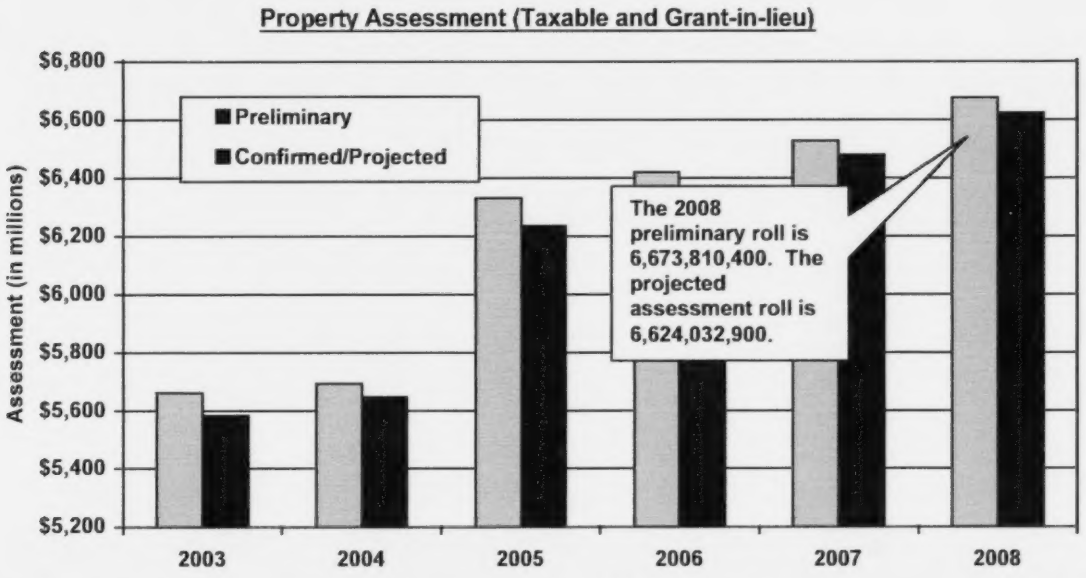
Taxable assessment for a property is the fair value assessment determined in accordance with legislation and the Saskatchewan Assessment Manual multiplied by the provincial percentage set by the Province. For 2008, the provincial percentages are:

- 70% for all residential property, including condominiums and multi-unit residential property.
- 40% for non-arable land and 55% for other agricultural property.
- 75% for elevators, rail right of ways and pipelines; and,
- 100% for all other commercial and industrial property.

Each year an assessment roll is prepared. Within 30 days from the "opening" of the assessment roll, property owners have the right to file an assessment appeal. The first step of the assessment appeal process is an appeal to the Board of Revision. If any party to the assessment appeal is of the view that the Board of Revision erred in their decision, the party can appeal to the Saskatchewan Municipal Board Assessment Appeal Committee (SMBAAC). Once the SMBAAC renders a decision, parties to an appeal have the right to seek leave to appeal to the Court of Appeal with respect to a question of law.

Each year, there are changes to the assessment roll. This includes changes due to assessment appeal decisions of the Board of Revision and/or SMBAAC; additions to the assessment roll resulting from new construction or major renovations of property, the subdivision of property and zoning changes; and, deletions to the assessment roll, typically resulting from demolitions of property.

The total taxable assessment (including the assessment of grant in lieu properties) has been subject to significant change and uncertainty due to assessment appeals. The following graph highlights the variability between the preliminary assessment roll and confirmed assessment roll totals since 2003.



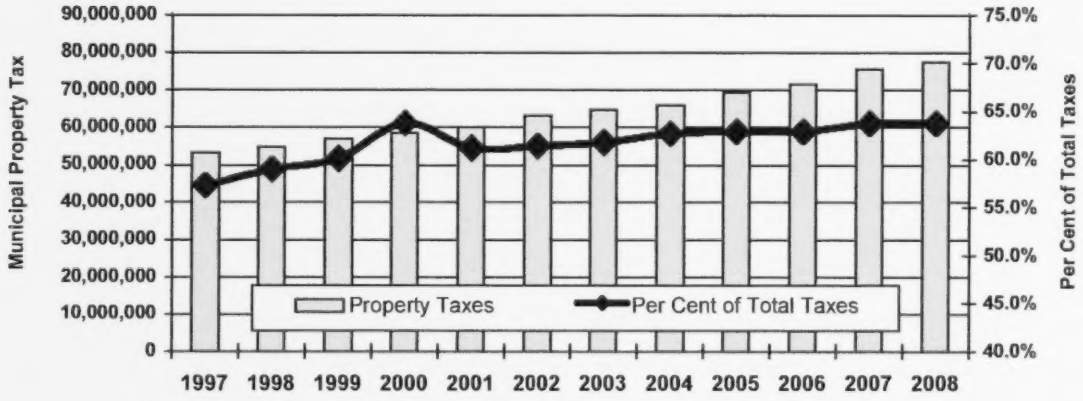
Note – Assessments for 2002 – 2004 are valued with a base year of 1998. The 2005 – 2006 assessment is valued with a base year of 2002.

In recent years, due to the impact of assessment appeals and other assessment changes, the confirmed assessment roll is less than the preliminary assessment roll. The contingent liability for assessment appeals outstanding at December 31, 2007 is about $6.3 million. The risk is with respect to appeals for the years 2001 to 2004, 2006 and 2007. All 2005 appeals have been resolved.

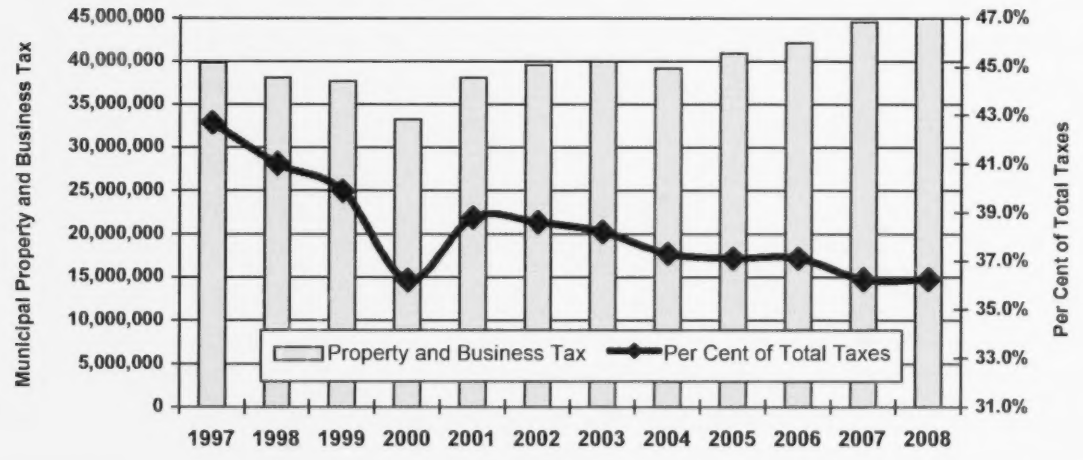
Tax Distribution

The next two graphs provide information on the changes in the distribution of taxes in Regina since 1997. The taxes are based on the confirmed assessment roll each year, net of phase-in adjustments and do not reflect allowances established at the end of the year for appeals, nor subsequent appeal decisions. The taxes for 2008 are based on the projected assessment. The graphs show the total taxes and percentage of total taxes since 1997.

Municipal Property Tax – Residential Properties



Municipal Property Tax – Commercial, Industrial and Other Properties



This graph includes grants-in-lieu of government and crown-owned properties. The trend has been a decrease in the proportion of total municipal taxes paid by commercial, industrial and other properties.

Government Grants and Transfers

Operating Revenue Summary ($000's)

Revenue Source	2007 Budget	2007 Actual	2008 Budget	Change 2007 to 2008 Dollar Change	Change 2007 to 2008 Per Cent Change
Revenue Sharing Grant	15,746.8	15,746.8	**18,196.9**	2,450.1	15.6
Paratransit Grant	919.1	955.1	**919.1**	-	-
Other Grants:					
Mosquito Control Grant	281.6	277.5	**277.5**	(4.1)	(1.5)
Dutch Elm Disease Grant	20.0	20.0	**20.0**	-	-
Discount Transit Pass Grant	300.0	481.5	**500.0**	200.0	66.7
Urban Aboriginal Leadership Program	-	19.3	**35.0**	35.0	100.0
Inner City Community Partnership	-			-	-
Cultural Capitals of Canada Grant	23.0	-	**23.0**	-	-
Act Solutions For Regina	5.0	3.0	-	(5.0)	(100.0)
Regina Solar Affordable Housing Project	10.0	-	-	(10.0)	(100.0)
Core Sustainable Neighborhood Feasibility Study	220.0	-	**220.0**	-	-
Crime Prevention Week	-	2.1	**2.0**	2.0	100.0
Crime Prevention Initiative	-	16.0	**25.0**	25.0	100.0
Gov't of Sk - climate change	-	18.6	-	-	-
Sask Housing Corp Grants	-	35.6	-	-	-
Other Provincial / Federal Grants	-	52.0	-	-	-
Total	**17,525.5**	17,627.5	**20,218.5**	2,693.0	15.4

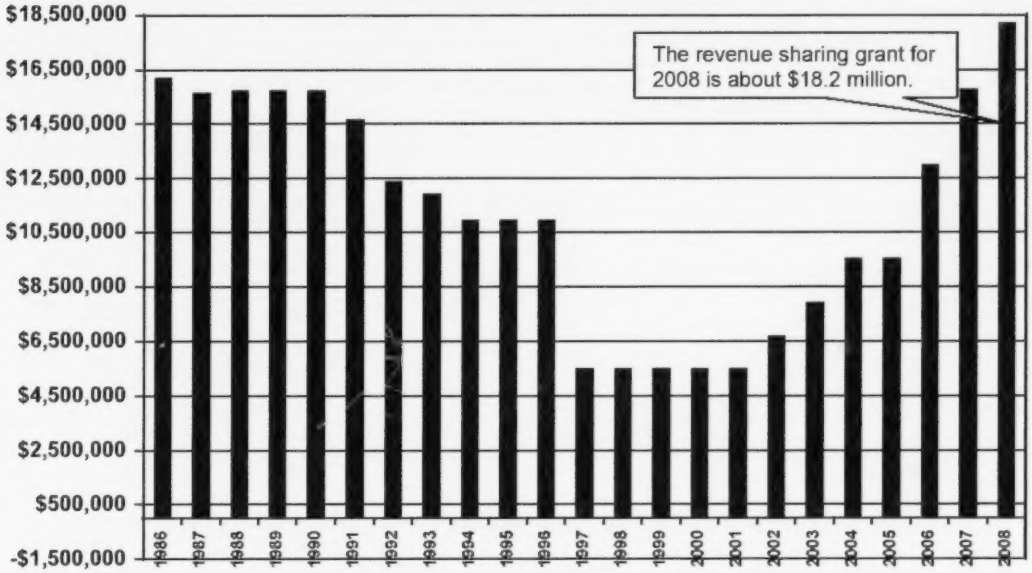
Revenue Sharing Grant

For 2008, funding for Regina from the Provincial Revenue Sharing grant is approximately $18.2 million. This represents an increase of approximately $2.5 million, or 15.6%, compared to 2007.

The increases for 2005, 2006, 2007 and 2008 represent a significant step in addressing the fiscal imbalance that resulted from the reductions in revenue sharing that occurred throughout the 1990's. Throughout 2007, the Province has been working closely with the municipal sector towards a new arrangement for municipal funding, with a goal to develop a new policy during 2008. The Provincial budget address included a commitment to developing a new formula linked to provincial revenues for 2009 and beyond by the fall of 2008.

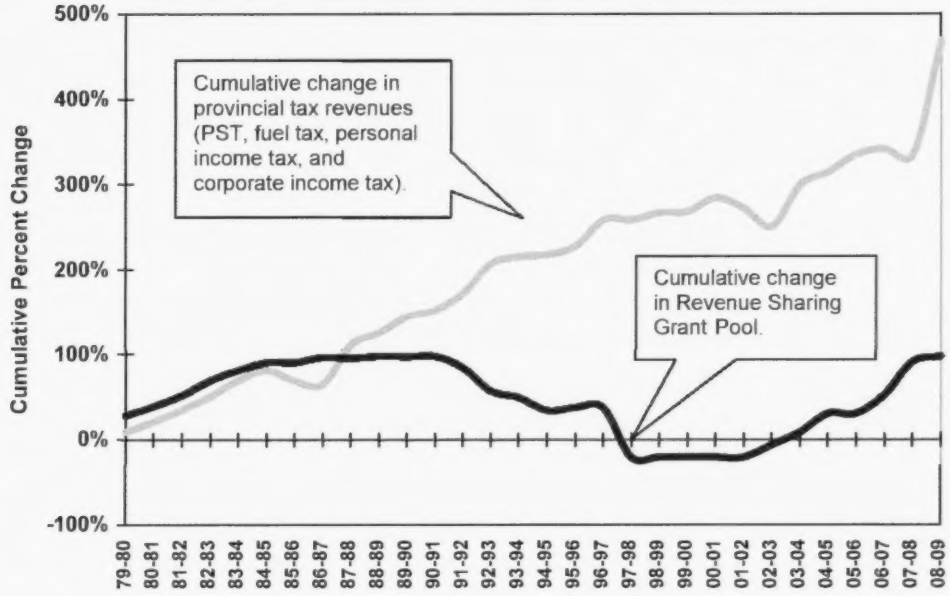
The following graph shows the annual revenue sharing grant received by Regina since 1986:

Regina's Revenue Sharing Grant



Initially, the amount of funding in the Revenue Sharing Grant Pool was linked to four provincial tax bases (retail sales, fuel, personal income and corporate income), with the size of the pool increasing or decreasing with the change in the tax base (not tax revenue). The following graph shows the increase in the Urban Revenue Sharing Grant Pool since the inception of the grant program, in comparison to the increase in tax revenue from the four provincial taxes initially linked to the Revenue Sharing Grant Pool.

Provincial Tax Revenue and Revenue Sharing Grant Pool



Even with the increases in the past three years, Regina's Revenue Sharing Grant is just now surpassing the amount received in 1986, without considering the impact of inflation.

In 1990, the Revenue Sharing Grant accounted for 11.1% of the total general operating revenue budget. In 2008 the grant accounts for 8% of the total general operating revenue.

The following table shows the distribution of the revenue sharing grants for urban and rural municipalities in 1990 and 2008.

Distribution of Revenue Sharing Grant Pools

	1990			2008		
	Amount	Per Cent of Total	Per Capita Grant[1]	Amount	Per Cent of Total	Per Capita Grant[1]
Urban Municipalities						
Regina	$ 15,727,000	15.3	$ 87.77	$ 18,196,917	12.9	$ 101.52
Saskatoon	15,860,400	15.5	85.24	20,541,403	14.6	101.52
Other Cities	10,663,800	10.4	68.68	15,371,840	10.9	101.52
Towns and Villages	19,904,500	19.4	88.71	23,831,280	17.0	160.50
Subtotal	62,155,700	60.6	83.44	77,941,440	55.5	106.74
Rural Municipalities	40,460,000	39.4	192.83	62,614,080	44.5	332.64
	$ 102,615,700	100.0	107.47	$ 140,555,520	100.0	145.18

Note 1: The census populations for 1991 and 2006 are used to calculate the per capita grants for 1990 and 2008

Paratransit Grant

For 2008, the **Paratransit Grant** is projected to be $919,100, no increase from the 2007 budget. The 2008 grant is not final and could change as a result of the final calculation by the Province.

The Province's Transit Assistance for the Disabled program provides operating and capital grants to transportation programs such as Regina's paratransit system. When the grant program was first implemented, the program funded 50% of the net operating cost of the paratransit program and 75% of the capital cost. The operating grant has been converted to a performance-based grant with the level of funding linked to the number of trips.

The paratransit grant has not kept pace with service needs and costs. The following table provides information on the operating grants since 2001.

Paratransit Service ($000's)	2001	2002	2003	2004	2005	2006	2007	2008
Provincial Operating Grant	710.0	856.6	930.5	897.9	939.2	900.0	919.1	919.1
City's Operating Contribution	1,056.4	1,308.3	1,247.4	1,380.3	1,461.0	1,639.5	1,713.1	2,130.8
Total Contributions	1,766.4	2,164.9	2,177.9	2,278.2	2,400.2	2,539.5	2,632.2	3,049.9
Provincial Operating Grant	40.2%	39.6%	42.7%	39.4%	39.1%	35.4%	34.9%	30.1%
City's Operating Contribution	59.8%	60.4%	57.3%	60.6%	60.9%	64.6%	65.1%	69.9%
Total Contributions	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

A decision by City Council, in alignment with practices across the country, to move to a paratransit fare schedule consistent with that of regular transit will result in a decrease in revenues of about $80,000 per year.

The Province's contribution has dropped from the initial target of 50% to about 30% of the net operating cost of the program. Based on the projections for 2008 the contribution will be about 30.1%. The City supported the move to a performance-based system for providing the operating grants. The concern however is that the level of provincial funding (as a portion of the net cost of the program) is declining due to funding for the program not increasing, as costs of delivering the program continue to rise. The level of funding for Regina is also adversely impacted if there is more rapid growth in the number of trips in other communities. While it is reasonable that communities with an increasing number of trips should receive additional funding, the additional funding should come from an increase in the total grant pool, not by reducing the provincial contribution per trip.

Other Grants

The total for other grants for 2008 is $1,102,500. The Province also provides transfers to the Regina Police Service. The transfers received by the Regina Police Service are included in the Fees and Charges section for Police. Other grants are conditional grants linked to specific projects or initiatives. Most of the grants are one-time grants that will not be received from year to year. Some of the grants, such as those for the control of Dutch Elm Disease, the Mosquito Control Grant or the Discounted Transit Pass Grant are programs that could continue for several years, although there is no specific commitment from the Province with respect to the timeframe for the grants.

Licenses, Levies and Fines

Operating Revenue Summary ($000's)

Revenue Source	2007 Budget	2007 Actual	2008 Budget	Change 2007 to 2008 Dollar Change	Change 2007 to 2008 Per Cent Change
Licenses					
Business Licenses	700.0	678.0	**700.0**	-	-
Animal Control & Impoundment	-	-	**438.9**	438.9	100.0
Taxi Licenses	40.0	43.0	**40.0**	-	-
Levies and Other Taxes					
Paved and Gravel Alley Special Tax	2,716.0	2,759.6	**2,838.9**	122.9	4.5
Amusement Tax	550.0	601.8	**600.0**	50.0	9.1
Fines					
Court Fines	2,400.0	2,673.0	**2,560.0**	160.0	6.7
Parking Tickets	1,260.0	1,490.6	**1,525.0**	265.0	21.0
Total	7,666.0	8,246.0	**8,702.8**	1,036.8	13.5

Business Licenses

The authority for licenses is Section 8 of *The Cities Act*. The majority of the licenses issued by the City are pursuant to Bylaw 9565, The Licensing Bylaw.

The 2008 budget for business licenses is $700,000, no change from the 2007 budget. City Council (Report CR06-88) approved a simplified structure for license fees effective January 1, 2007. The new structure established two license categories with a fee of $225 for a Resident Business License and $450 for a Non-Resident Business License. On an annual basis, about 3,400 licenses are issued. Overall, the changes are expected to reduce total licensing revenues.

The following table details the business license revenue (budget and actual) since 2003.

Business License Revenue ($000's)	2003	2004	2005	2006	2007
Budget	565.0	665.0	750.0	750.0	700.0
Actual	571.1	775.1	835.3	724.7	678.0
Variance	6.1	110.1	85.3	(25.3)	(22.0)

Animal Control and Impoundment

The 2008 budget for animal licensing and fines is $438,900. City Council (Report CR07-163) approved an amendment of the Cat Control Bylaw to state that all cats must be licensed and an increase in animal fines, effective January 1, 2008. The revenue from animal licensing and animal fines is a source of funding for animal control and impoundment, with services provided under contract by the Regina Humane Society.

Paved and Gravel Alley Special Tax

Funding for maintenance and reconstruction of alleys is through a **Paved and Gravel Alley Special Tax** levied pursuant to Section 275 of *The Cities Act*. The special tax is levied against all properties that abut an alley and is billed in conjunction with property taxes.

The 2008 budget of $2,838,900 is an increase of $122,900 over the 2007 budget. The 2008 budget reflects an increase in the special tax rates of approximately 4.5%. There is also deferred revenue collected in prior years that will be expended in 2008. The 2008 budget increase also includes funding for snow plowing of alleys, previously budgeted for in the Winter Road Maintenance Program.

The following table details rates for alleys and lanes since 2004. Since 2003, the revenue was collected through the special tax provisions of *The Cities Act*. Prior to 2003, the levy was assessed pursuant to provisions of *The Urban Municipality Act, 1984*.

Assessable Rates	2004	2005	2006	2007	2008
Paved and Upgraded Alleys	$2.09/ft.	$2.15/ft.	$2.21/ft.	$2.28/ft.	$2.40/ft.
Gravel Alleys	$1.35/ft.	$1.39/ft.	$1.43/ft.	$1.48/ft.	$1.55/ft.

The rate increase for 2008 is consistent with the direction adopted by City Council to enhance the maintenance of alleys. In 1996, an initiative was undertaken to evaluate the entire alley system. From the review, it was proposed that a 30-year reconstruction cycle be adopted for paved alleys and a 40-year reconstruction cycle for gravel alleys.

In order to implement this proposal the number of paved alleys reconstructed each year would be increased by an increment of four until 2005 when the program would provide for reconstruction of approximately 45 paved alleys.

For gravel alleys, increased investment levels between 1996 and 2001, resulted in all alleys requiring full block reconstruction being completed. The 2001 evaluation confirmed the objectives of the strategy were met, however, adjustments to the maintenance program were warranted. The approved maintenance program involved blading four to five times during the construction season, spot gravelling, cleaning of catch basins, minor reconstruction, minor drainage improvements, and a systematic program of gravel refreshment. Continuation of the investment strategy ensured ten additional alleys/year would be refreshed until 2006 when a ten-year refreshment cycle was reached on a City wide basis. As well, minor reconstruction of alleys was reduced to the equivalent of approximately five locations/year.

If the special tax levy is not fully expended in the year levied for the intended purpose, the amount of the levy that is not spent is recognized as deferred revenue and taken into revenue only when it is expended on the intended purpose.

Amusement Tax

The authority for **amusement tax** is Section 279 of *The Cities Act*. Bylaw 2003-102, the Amusement Tax Bylaw, establishes the amusement tax rate and defines the nature of entertainment subject to the tax. Amusement tax is applicable to the sale of tickets for commercial movie theatres. The amusement tax is 10%, with one-tenth of the amount to be retained by the theatre as an administrative fee or commission for collecting the tax.

For 2008, the projected revenue from amusement tax is $600,000. The budget is an increase of $50,000 over the 2007 budget. Starting in 2004, accounting policy was revised to record the full 10% amusement tax as revenue. The amount retained by the theatres as an administrative fee is recorded as an

expenditure. The administrative fee or commission for 2007 is $60,000. The projected revenue increase is based on actual results for 2007, reflecting an increase in theatre attendance.

The following table details the amusement tax revenue (budget and actual) since 2003.

Amusement Tax Revenue ($000's)	2003	2004	2005	2006	2007
Budget	420.0	525.0	700.0	525.0	550.0
Actual	522.8	770.3	595.3	598.2	601.8
Variance	102.8	245.3	(104.7)	73.2	51.8

Court Fines

The projected revenue from court fines for 2008 is $2,560,000. The increase is based on actual results in 2007.

Court fines are received either through the Municipal Court or through traffic violations that result in payment through the provincial court system. The Regina Police Service issues tickets for infractions of *The Provincial Vehicles Act* and the City of Regina Traffic Bylaw.

The next table provides a summary of the budgeted and actual revenue from court fines since 2003 along with history on the number of traffic tickets issued and paid.

Court Fines Information	2003	2004	2005	2006	2007
Fine Revenue ($000's):					
Budget	1,720.0	1,750.0	2,100.0	2,400.0	2,400.0
Actual	1,746.5	1,944.0	2,530.9	2,473.6	2,673.1
Variance	26.5	194.0	430.9	73.6	273.1
Traffic Tickets:					
Tickets Issued	19,101	24,886	26,206	25,130	27,418
Tickets Paid	18,860	22,026	24,263	23,793	19,742

While the Province administers and enforces the collection of tickets, they deduct from the fine revenue remitted to the City the following charges:

- A court security fee of $320,000 per year.
- An administration fee of 25% of the value of the tickets collected, plus the costs for credit and debit cards and collection agency fees. The total projected fine administration fee for 2008 is $640,000.

These fees are budgeted under Provincial Payments in the Financial Services Department budget.

Parking Fines

The projected revenue from parking fines for 2008 is $1,525,000. The increase is based on actual results in 2007. In 2004, City Council (Report CR03-113) increased parking infractions by $10, with a $5 increase in the discount, coupled with the discount period being extended from 10 days to 14 days.

The next table provides a summary of the parking fine revenue since 2003 along with information on the tickets issued and paid, and other related information.

Parking Ticket Information	2003	2004	2005	2006	2007
Parking Ticket Fines ($000's):					
Budget	1,172.0	1,500.0	1,400.0	1,280.0	1,260.0
Actual	1,317.2	1,431.2	1,412.3	1,674.7	1,490.6
Variance	145.2	(68.8)	12.3	394.7	230.6
Parking Tickets:					
Tickets Issued - City	69,373	68,370	69,344	59,321	64,247
Tickets Issued - Wascana/University	23,635	21,874	17,906	17,642	17,969
	93,008	90,244	87,250	76,963	82,216
Tickets Paid	82,065	77,882	75,770	67,974	72,308

Fees and Charges

Operating Revenue Summary ($000's)

Revenue Source ($000's)	2007 Budget	2007 Actual	2008 Budget	Change 2007 to 2008 Dollar Change	Change 2007 to 2008 Per Cent Change
Public Works	5,940.9	6,736.0	**8,318.6**	2,377.7	40.0
Planning & Development	1,152.0	2,185.5	**1,573.8**	421.8	36.6
Community & Protective Services	14,000.3	14,925.7	**14,337.9**	337.6	2.4
Police Department	4,693.3	5,490.2	**4,775.8**	82.5	1.8
Other Fees and Charges	1,100.3	1,538.2	**1,159.0**	58.7	5.3
Total	26,886.8	30,875.6	**30,165.1**	3,278.3	12.2

Public Works Fees and Charges

Revenue Source ($000's)	2007 Budget	2007 Actual	2008 Budget	Change 2007 to 2008 Dollar Change	Change 2007 to 2008 Per Cent Change
Street Name Signs	8.5	31.7	**15.0**	6.5	76.5
Cut Repairs	155.1	118.1	**219.1**	64.0	41.3
Claims Revenue	109.0	85.4	**109.0**	-	-
Parking Permit Fees	64.0	78.8	**69.0**	5.0	7.8
Encroachment Fees	23.0	90.4	**45.0**	22.0	95.7
Parking Meter Fees	1,200.0	1,356.8	**1,340.0**	140.0	11.7
Other Permits	4.5	2.2	**6.3**	1.8	40.0
Other Revenues	65.0	58.3	**65.0**	-	-
Landfill Charges	3,814.5	4,397.3	**5,929.8**	2,115.3	55.5
Commercial Waste Collection	307.3	261.2	**330.4**	23.1	7.5
Recycling Revenues	190.0	255.9	**190.0**	-	-
Total	5,940.9	6,736.1	**8,318.6**	2,377.7	40.0

Parking Meter Fees

The 2008 budget for parking meter revenues is $1,340,000, an increase of $140,000 over 2007 based on historical actuals. In 2003, City Council (CR03-113) approved, effective July 1, 2003, an increase in parking meter rates from $0.75 to $1.00 per hour. The increase was for regular meters. Loading zone meters are 50 cents for 15 minutes.

The following table details parking meter revenue (budget and actual) since 2003.

Parking Meter Revenue ($000's)	2003	2004	2005	2006	2007
Budget	983.0	1,080.0	1,080.0	1,200.0	1,200.0
Actual	1,064.2	1,095.4	1,206.3	1,274.4	1,356.8
Variance	81.2	15.4	126.3	74.4	156.8

Landfill Fees

The 2008 budget for landfill fees is $5,929,800, an increase of $2,115,300 over 2007. In 2007 City Council (Report CR07-157) approved landfill rates for 2008 to 2011. The rate prior to the approved schedule of increases was $33.00 per tonne. The rates for 2008, 2009 and 2010 will be $36.00, $38.00 and $40.00 respectively. Other notable changes in the rates include:

- A new charge of $36.00 per tonne for mixed concrete/asphalt to encourage segregation of materials which facilitates full recycling. This was previously free.
- A single fee of $5.00 for private vehicles (cars and non-commercial trucks - up to ¾ ton truck with a 4' x 8' trailer), regardless of the number of visits. This replaces the two tier pricing, whereby the first two visits in 28 days are charged $5.00, with additional loads within 28 days charged at $10.00.

In 2003 City Council adopted a funding policy for the calculation of the transfer to the landfill reserve. The landfill and recycling revenues net of landfill and recycling operating costs are transferred to the Landfill Reserve to fund landfill capital costs. The landfill revenues used in the calculation of the transfer include the revenues from external customers, and the deemed revenue, based on the approved landfill rates for residential waste disposed at the landfill. A financial model has been developed for the landfill operations, taking into account operating and capital costs for the landfill and recycling. Rates are established based on funding requirements for operating costs along with current and projected capital requirements.

The following table details landfill revenue (budget and actual) since 2003:

Landfill Revenue ($000's)	2003	2004	2005	2006	2007
Budget	2,176.9	3,262.0	3,542.0	3,814.5	3,814.5
Actual	2,175.7	3,285.3	3,526.1	3,925.0	4,372.7
Variance	(1.2)	23.3	(15.9)	110.5	558.2

Planning & Development Fees and Charges

Revenue Source ($000's)	2007 Budget	2007 Actual	**2008 Budget**	Change 2007 to 2008 Dollar Change	Change 2007 to 2008 Per Cent Change
Planning & Sustainability Department					
Building Branch					
Building Permit Fees	900.0	1,763.0	**1,100.0**	200.0	22.2
Other Revenue	16.0	20.3	**14.9**	(1.1)	(6.9)
Development Planning Branch					
Development Application Fees	108.0	135.5	**123.0**	15.0	13.9
Sign Permit Fees	32.0	35.5	**33.0**	1.0	3.1
Zoning Certificates	8.0	7.8	**7.0**	(1.0)	(12.5)
Sale of Promotional Items, Maps, etc.	2.0	0.5	**0.5**	(1.5)	(75.0)
Sustainable Community Development	6.0	6.4	**8.0**	2.0	33.3
Other Revenue	-	35.0	**-**	-	-
Development Engineering Department					
Development & Technical Services					
Sale of Promotional Items, Maps, etc.	10.0	11.6	**12.0**	2.0	20.0
Allocated Surveying Costs	20.0	3.0	**-**	(20.0)	(100.0)
Development Application Fees	50.0	166.9	**258.9**	208.9	417.8
Municipal Access Fee	-	-	**15.0**	15.0	100.0
Access Adminisration Fee	-	-	**1.5**	1.5	100.0
Total	1,152.0	2,185.5	**1,573.8**	421.8	36.6

Building Permit Fees

The 2008 budget for building permit fees is $1,100,000, an increase of $200,000 from the 2007 budget. The fees are established in Building Bylaw 2003-7. In 2003, City Coucil (Report CR03-249) considered a report that reviewed the building permit fees. The fee schedule was not changed, but the formula for calculating the value for the purpose of determining the permit cost was revised. Building permit fees are, by policy, based on a 75% cost recovery over a five-year period. There is a schedule of fees for building projects with a value of up to $100,000 ($100 fee for $10,000 value up to $500 fee for $100,000 value), with the fee increasing by $5.00 per $1,000 in value above $100,000.

It is important to note that the increased revenue in 2008 is not due to an increase in the fees charged. This increase in revenue is based soley on the expected increase in volume of building permits processed in 2008.

Community & Protective Services Fees and Charges

Revenue Source ($000's)	2007 Budget	2007 Actual	2008 Budget	Change 2007 to 2008 Dollar Change	Change 2007 to 2008 Per Cent Change
Community Services Department					
Northwest Leisure Centre	427.1	385.3	**407.0**	(20.1)	(4.7)
Sandra Schmirler Leisure Centre	697.4	779.1	**713.2**	15.8	2.3
Lawson Aquatic Centre	807.7	922.7	**821.1**	13.4	1.7
Fieldhouse	677.1	713.4	**682.1**	5.0	0.7
Outdoor Pools	130.0	148.9	**130.0**	-	-
Neil Balkwill Civic Arts Centre	172.7	169.6	**172.7**	-	-
Speed Skating Oval	0.8	1.5	**10.3**	9.5	1,187.5
Outdoor Ice	0.6	5.5	**0.6**	-	-
Athletic Fields	138.6	164.9	**170.3**	31.7	22.9
Mosaic Stadium	211.1	199.4	**211.1**	-	-
Leslie Lawn Bowling Greens	17.5	17.5	**32.5**	15.0	85.7
Tennis Courts	1.2	1.6	**1.2**	-	-
Douglas Park	4.0	8.3	**6.6**	2.6	65.0
Indoor Arenas	1,205.0	1,370.5	**1,306.8**	101.8	8.4
Other Revenues	13.8	41.1	**26.0**	12.2	88.4
Community & Social Development Services					
Facility Rentals	177.2	168.1	**197.6**	20.4	11.5
Program Registration Fees	35.8	26.2	**31.1**	(4.7)	(13.1)
Other Revenue	-	20.4	**-**	-	-
Parks and Open Space Department					
Golf Courses	2,473.6	2,472.4	**2,473.6**	-	-
Cemeteries	852.9	962.4	**852.9**	-	-
Streetscape	5.0	8.8	**5.0**	-	-
Other Revenue	24.0	52.2	**24.0**	-	-
Protective Services Department					
Bylaw Enforcement	78.0	103.2	**78.0**	-	-
RRAP Inspection Fees	40.0	39.2	**40.0**	-	-
Fire Administration	175.0	175.9	**175.0**	-	-
Transit Department					
Transit Operation	5,160.3	5,449.8	**5,375.3**	215.0	4.2
Paratransit Services	473.9	517.8	**393.9**	(80.0)	(16.9)
Total	14,000.3	14,925.7	**14,337.9**	337.6	2.4

Community Services Revenue

The following table details Community Services revenue (budget and actual) since 2003. The revenue includes the fees and charges for the Community Services Department, not including Indoor Arenas.

Community Services Revenues ($000's)	2003	2004	2005	2006	2007
Budget	3,336.6	3,596.9	3,463.6	3,426.5	3,535.6
Actual	3,267.1	3,418.2	3,113.8	3,479.5	3,812.0
Variance	(69.5)	(178.7)	(349.8)	53.0	276.4

City Council approved a fee schedule for Community Services for the 2008 to 2010 period (City of Regina Bylaw 2007-54). Examples of the changes are:

- The youth general admission fee to a leisure facility was $2.55 on September 1, 2003, increasing to $2.70 January 1, 2004, $3.00 September 1, 2004, and $3.30 September 1, 2005, $3.60 in September 1, 2006 and $3.90 September 1, 2007. The fees in the 2008 – 2010 Fee Schedule are subject to GST. The youth general admission fee at January 1, 2008 was $3.71. The fee remains unchanged from September 1, 2008 through September 1, 2010.

- The adult general admission fee has a similar schedule of increases, with the overall increase from $3.40 as of September 1, 2003 to $5.20 as of September 1, 2007. The adult general admission fee at January 1, 2008 was $4.95 (subject to GST). This fee will increase to $5.05 on September 1, 2008.

- The cost of a three-month leisure pass for a youth increased from $62.00 as of September 1, 2003 to $98.00 as of September 1, 2007. Over the same period, the adult three-month leisure pass increased from $82.65 to $127.00. On January 1, 2008, the cost of a youth three month leisure pass was $70.00 (subject to GST). This will increase to $73.00 on September 1, 2008. An adult three-month leisure pass was $116.00 (subject to GST) on January 1, 2008, increasing to $122.00 on September 1, 2008.

Arena Revenue

The 2008 budget for arena revenue is $1,306,800, an increase of $101,800 as compared to 2007. City Council adopted a revised fee schedule for arenas and other recreation and leisure facilities. There are a variety of fees for arenas. The rates for the two major uses of areas are:

- For adult activity and tournaments, the hourly rate for ice time was $117.30 September 1, 2003, increasing to $120.80 April 19, 2004, $124.40 in 2005, $128.00 in 2006, and $132.00 in 2007. The January 1, 2008 fee is $123.20 (subject to GST). The fee is intended to recover 100% of the cost.

- For youth leagues and tournaments, the hourly rate for ice time was $63.35 as of September 1, 2003, increasing to $68.80 April 19, 2004, $76.40 in 2005, $80.60 in 2006 and $85.80 in 2007. The January 1, 2008 fee is $80.08 (subject to GST). This rate is 65% of the adult rate.

The following table details arena revenue (budget and actual) since 2003.

Arena Revenue ($000's)	2003	2004	2005	2006	2007
Budget	1,235.3	1,262.5	1,225.4	1,200.9	1,205.0
Actual	1,135.7	1,195.2	1,141.0	1,342.2	1,370.5
Variance	(99.6)	(67.3)	(84.4)	141.3	165.5

Golf Course Revenue

The 2008 budget for golf course revenue remains the same as the 2007 budget amount of $2,473,600.

In 2007, the City of Regina entered into a three year agreement with Western Golf Management Ltd. for the operation of the Joanne Goulet and Lakeview Golf Courses (2007 – 2009). The agreement includes a fixed base fee payable to the City for each year of the contract with a 40% City, 60% Western Golf Management split on green fees revenue.

The agreement for the Murray and Tor Hill Golf Courses is for a 20 year term (2002 – 2021). The agreement provides for a sharing of green fee revenues (50% to the City and 50% to Western Golf Management) along with a certain level of base fees paid to the City by Western Golf Management. The base fees increase each year based on increases in the green fee rates. The yearly payment to the City will not exceed 100% of the green fees for the year.

The following table details golf course revenue (budget and actual) since 2003.

Golf Course Revenue ($000's)	2003	2004	2005	2006	2007
Budget	2,474.4	2,417.7	2,427.5	2,357.0	2,473.6
Actual	2,358.6	2,214.9	2,108.5	2,510.1	2,472.4
Variance	(115.8)	(202.8)	(319.0)	153.1	(1.2)

Cemetery Revenue

The 2008 budget for cemetery revenue remains unchanged from the 2007 budget of $852,900. There is no proposed increase in plot prices in the 2008 Fee Schedule. The Administration will be proposing a 5% increase to fees for opening/closing services. The impact of multi-tiered pricing of columbarium niches will represent an overall increase of less than 2% for these fees.

The following table details cemetery revenue (budget and actual) since 2003.

Cemetery Revenue ($000's)	2003	2004	2005	2006	2007
Budget	806.3	849.1	946.6	864.3	852.9
Actual	847.4	923.5	866.7	868.5	976.0
Variance	41.1	74.4	(79.9)	4.2	123.1

Fire Suppression Service Fees

The majority of the Fire Department revenue is for fees pursuant to service agreements with the Rural Municipality of Sherwood and the Rural Municipality of Lumsden. The fees have two components:

- **Retainer Fee** – For each of the servicing agreements there is an annual retainer fee paid by the Rural Municipality. The base fee was established when the initial agreements were negotiated, with the fee increased each year by the greater of the percentage increase in the Consumer Price Index for the prior year, and the percentage increase in the operating budget for the Fire Department. The following table has information on the project retainer fee for 2008 along with the fees in prior years.

Fire Service Agreements Retainer Fee ($)	2004	2005	2006	2007	2008
Rural Municipality of Sherwood	63,237.0	65,639.0	69,617.0	74,950.0	76,900.0
Rural Municipality of Lumsden	8,497.0	8,820.0	9,350.0	10,071.0	10,300.0

- **Service Call Fee** – In addition to the retainer fee, there is a charge per incident billed to the rural municipality. Revenues vary based on the number of service calls, the resources required, and the length of time for a call. The estimated revenue from service call fees in 2008 is approximately $60,000.

  Other Fire suppression service fees are received from Saskatchewan Government Insurance for motor vehicle accidents and fires (2008 estimate of $19,000), and payments from the Municipal Rescue Services Fund administered by SUMA (2008 estimate of $10,000). The purpose of the Municipal Rescue Services Fund is to more fully compensate municipal fire and rescue units for performing emergency services at vehicle accidents outside of their jurisdiction.

Transit Fees and Charges

Revenue Source ($000's)	2007 Budget	2007 Actual	**2008 Budget**	Change 2007 to 2008 Dollar Change	Change 2007 to 2008 Per Cent Change
Public Transit					
Cash Fares	1,644.7	1,597.1	**1,569.7**	(75.0)	(4.6)
Ticket Sales	810.6	888.5	**860.6**	50.0	6.2
Pass Sales	1,964.0	2,186.2	**2,054.0**	90.0	4.6
Senior Citizens Pass Sales	212.3	240.3	**232.3**	20.0	9.4
Advertising	317.9	320.1	**417.9**	100.0	31.5
Other Revenue	210.8	217.7	**240.8**	30.0	14.2
Paratransit					
Cash, Ticket and Pass Sales	348.9	363.9	**268.9**	(80.0)	(22.9)
Other Revenue	125.0	153.8	**125.0**	-	-
Total	5,634.2	5,967.6	**5,769.2**	135.0	2.4

The 2008 budget for Transit revenues is $5,769,200, an increase of $135,000 as compared to the 2007 budget. There is a grant from the Province of $500,000 for the discounted pass program, as well as a paratransit grant of $919,100. These grants are shown in the Government Grants section.

The following table details transit revenues (budget and actual) since 2004.

Transit Revenues and Fares ($000's)	2004	2005	2006	2007	2008
Public Transit Revenue:					
Budget	5,374.7	5,147.0	5,044.4	5,160.3	5,375.3
Actual	5,198.1	4,544.5	5,167.6	5,449.9	n/a
Variance	(176.6)	(602.5)	123.2	289.6	n/a
Paratransit Revenue:					
Budget	409.8	432.3	456.2	473.9	393.9
Actual	422.0	445.8	480.7	517.7	n/a
Variance	12.2	13.5	24.5	43.8	n/a
Transit Rates (Effective Jan. 1):					
Cash Fares:					
Adult	1.90	2.00	2.10	2.10	2.10
Youth	1.40	1.50	1.60	1.60	1.60
Tickets (10 tickets):					
Adult	16.00	16.50	17.00	17.00	17.00
Youth	11.50	12.00	12.50	12.50	12.50
Bus Pass:					
Adult (monthly)	52.50	54.00	57.00	57.00	57.00
Post Secondary (monthly)	45.50	47.00	48.00	48.00	48.00
Youth (monthly)	39.00	40.00	42.00	42.00	42.00
Senior (semi-annual)	85.00	88.00	93.00	93.00	93.00
Senior (annual)	170.00	176.00	185.00	185.00	185.00
Discounted Pass (monthly)	15.00	15.00	15.00	15.00	15.00
Punch Pass (40 uses)	76.00	80.00	84.00	84.00	84.00

In 2008, Paratransit rates were adjusted to parallel Public Transit rates. The following categories did not previously exist for Paratransit: Cash Fare (Youth), 10 Tickets (Youth) and all Bus Pass categories. As well, the Paratransit rates for 10 Tickets (Adult) for 2004 to 2007 were $19.00, $20.00, $21.00, and $21.00 respectively. The 40 use Punch Pass is available to Paratransit customers only.

Police Fees and Charges

Revenues for the Regina Police Services are projected to increase $82,500. The revenues are based on the 2008 budget of the Board of Police Comission as submitted to City Council. The revenues include transfers from the Federal and Provincial Governments.

Revenue Source ($000's)	2007 Budget	2007 Actual	2008 Budget	Change 2007 to 2008 Dollar Change	Change 2007 to 2008 Per Cent Change
Provincial Programs					
9-1-1 PSAP	730.0	769.0	**770.0**	40.0	5.5
Victim Services	88.7	94.9	**94.9**	6.2	7.0
Aboriginal Resource Officers	83.0	88.6	**88.7**	5.7	6.9
SHOCAP	450.0	450.0	**450.0**	-	-
Organized Crime	375.0	569.5	**375.0**	-	-
Enhanced Community Policing	1,440.0	1,440.0	**1,440.0**	-	-
Missing Person Task Force	90.0	90.0	**90.0**	-	-
Internet Child Exploitation			**90.0**	90.0	-
Fraud Investigator - Social Services	76.0	90.0	**90.0**	14.0	18.4
Child Sexual Exploitation	155.0	155.0	**180.0**	25.0	-
Aboriginal Recruiting Strategist			**94.3**	94.3	-
SGI Enforcement Overdrive	67.0	68.0	**73.6**	6.6	9.9
	3,554.7	3,815.0	**3,836.5**	281.8	7.9
Federal Programs					
Proceeds of Crime	80.0	80.0	**80.0**	-	-
RIIU Casual Monitor	32.2	26.8	**31.8**	(0.4)	(1.2)
United Nations Mission	147.5	124.5	**-**	(147.5)	-
Corrections Liason Officer	90.5	92.4	**90.5**	-	-
Drug Recognition Expert Program	100.0	53.4	**-**	(100.0)	
	450.2	377.1	**202.3**	(247.9)	(55.1)
Other Revenue					
Radio Shop	346.6	482.8	**346.5**	(0.1)	(0.0)
Miscellaneous Revenue	296.0	770.7	**340.7**	44.7	15.1
Contributions	40.8	39.3	**44.8**	4.0	9.8
Cost Recoveries	5.0	5.3	**5.0**	-	-
	688.4	1,298.1	**737.0**	48.6	7.1
Total	4,693.3	5,490.2	**4,775.8**	82.5	1.8

Provincial Programs

- **9-1-1 PSAP** – This revenue is related to the provincial 9-1-1 system. The Regina Police Service is one of the three Public Safety Answering Points (PSAP) for Saskatchewan. The Regina regional PSAP was live in February 2003.

- **Victim Services** – This program is funded by the Saskatchewan Provincial Government, Department of Justice and funds two civilian employees to provide basic services to victims of crime and traumatic events including information, support, referral, accompaniment and advocacy.

- **Aboriginal Resources Program** – This program is funded by the Saskatchewan Provincial Government, Department of Justice and funds two civilian employees to provide basic services to aboriginal victims of crime and their families including information, support and referral. The program also reflects community interest/concerns as a focus for advocacy within the justice system on behalf of aboriginal victims of crime.

- **SHOCAP** – Serious and Habitual Offender Comprehensive Action Plan Program. This program is funded by the Saskatchewan Provincial Government, Department of Justice and funds three police officers and one support staff to provide a strategy that integrates the resources of police, prosecutions, social services, corrections and other agencies to respond in an effective manner to serious and habitual offenders.

- **Organized Crime** – This program is funded by the Saskatchewan Provincial Government, Department of Justice. The program funds four officers and one support staff to provide a strategy for the resources of the Regina Police Service Serious Crime Task Force to conduct comprehensive investigations of individuals involved in or suspected of engaging in organized criminal activities.

- **Enhanced Community Policing** – This program is funded by the Saskatchewan Provincial Government, Department of Justice and currently funds ten officers.

- **Provincial Family Violence** – This program is funded by the Saskatchewan Provincial Government, Department of Justice and funds one officer to assist in providing province-wide training on family violence for law enforcement and other justice personnel and expertise on other justice initiatives related to family violence.

- **Fraud Investigator** – This program is funded by the Saskatchewan Provincial Government, Department of Social Services and funds one officer to investigate fraud.

- **SGI Enforcement Overdrive** – This program is funded by SGI and funds the cost to conduct road side check points to reduce the incidence of impaired driving and make the streets of Regina safer.

Federal Programs

- **Proceeds of Crime** – This program is funded by the Government of Canada and funds one officer to participate in a multi-oganizational unit called the Integrated Proceeds of Crime Section (IPOC).

- **RUUI Casual Monitor** – This program is funded by the RCMP and supports one-half time casual to provide clerical duties related to Automated Criminal Intelligence Information System (ACIIS).

Other Police Revenues

- **Miscellaneous Revenue** – This revenue includes pre-employment criminal record checks, letters of conduct and other general revenue.

- **Radio Shop** – This revenue is cost recovery and corresponds with the Radio Shop Operating Expenditure Budget. Revenues are received through charges for services related to the City of Regina joint trunked radio station.

- **School Resource Vehicle Lease** – This revenue is cost recovery and is received for lease payments for school resource vehicles.

- **Sigma Testing Cost Recovery** – This funding is cost recovery and is the actual cost of administering the Sigma testing that is charged to all police and communications officers applicants.

Other Fees and Charges

Revenue Source ($000's)	2007 Budget	2007 Actual	2008 Budget	Change 2007 to 2008 Dollar Change	Change 2007 to 2008 Per Cent Change
Council and Committees					
Board of Revision Fees	10.0	18.1	**10.0**	-	-
Development Appeals Fees	3.0	3.4	**3.0**	-	-
Other Revenue	0.8	0.5	**0.7**	(0.1)	-
	13.8	22.0	**13.7**	(0.1)	(0.7)
Office of the City Manager					
Communication Fees and Charges	16.0	10.0	**16.0**	-	-
Election Cost Recovery	-	-	**-**	-	-
Other Revenue	0.3	16.5	**0.4**	0.1	33.3
Legal Department Cost Recovery		105.5	**-**	-	
	16.3	132.0	**16.4**	0.1	0.6
Corporate Services Department					
Assessment and Taxation Fees	170.0	181.5	**160.0**	(10.0)	(5.9)
Auction and Salvage	166.0	209.9	**170.0**	4.0	2.4
Employee Parking	120.0	111.4	**120.0**	-	-
Facility Operating Agreements	24.0	23.2	**21.0**	(3.0)	(12.5)
Facility Charges - Sunset Library	71.6	74.6	**78.1**	6.5	9.1
False Alarm Fees	40.0	67.4	**50.0**	10.0	25.0
NSF Cheque Fees	13.6	12.5	**17.6**	4.0	29.4
Federal Operating Grant	-	8.7	**-**	-	-
Convention Parking Permits	5.0	4.7	**5.0**	-	-
Agreement and Charters	5.0	3.0	**5.0**	-	-
Other Revenue	70.0	302.3	**105.0**	35.0	50.0
	685.2	999.2	**731.7**	46.5	6.8
Saskatchewan Lotteries Grant	385.0	385.0	**397.2**	12.2	3.2
Total	1,100.3	1,538.2	**1,159.0**	58.7	5.3

Board of Revision Fees

The Board hears appeals and makes decisions with respect to local improvements and property assessment appeals in accordance with *The Local Improvements Act, 1993* and *The Cities Act*. There are nine citizen members on the Board. The fees established by City Council in Bylaw 2003-69, pursuant to the authority in Section 196 of *The Cities Act*, are:

- $30.00 for each single family residential property.
- $30.00 per condominium unit.
- For all other properties, $150.00 for properties with a fair value assessment of up to $499,999. For properties with a fair value assessment of $500,000 to $1,000,000, the fee is $500.00 and for properties with a fair value assessment over $1,000,000, the fee is $750.00.

Fees are refundable if the appeal is successful. There are typically a substantial number of appeals in a reassessment year, with fewer appeals in the years following a reassessment.

Development Appeals Fees

The Development Appeals Board hears and considers appeals to zoning regulations. It carries the duties and powers as set forth in Bylaw 9250 and section 92 of *The Planning and Development Act, 1983.* There are five citizen members on the Board. The appeal fee is $50.00.

Assessment and Taxation Fees

The revenue for assessment and tax fees is $160,000 in total. The estimated revenue from tax certificates is $100,000. The fee for a tax certificate is $25. Fees paid by mortgage companies for taxation services are estimated at $50,000. A variety of other miscellaneous fees account for the balance of the assessment and taxation fee revenue. Fees are established in Schedule B of Bylaw 2003-69.

False Alarm Fees

Based on a recommendation from The Board of Police Commissioners, City Council passed Bylaw 2004-24, providing for false alarm fees of $75 for the third and fourth false alarm within a one year period. The Police Department administers the alarm bylaw, but the fees are billed through the Finance Department.

Other Revenues

Operating Revenue Summary ($000's)

Revenue Source	2007 Budget	2007 Actual	2008 Budget	Change 2007 to 2008 Dollar Change	Change 2007 to 2008 Per Cent Change
Electrical Distribution	24,010.0	25,378.1	**24,600.0**	590.0	2.5
Gas Distribution	9,667.5	8,448.8	**8,401.4**	(1,266.1)	(13.1)
Interest	4,466.4	5,250.1	**4,532.3**	65.9	1.5
Tax Penalties	1,265.0	963.9	**1,265.0**	-	-
Interfund Transfers					
Utility Surplus Transfer	4,852.2	4,852.2	**5,030.4**	178.2	3.7
Utility Administration	2,836.2	2,836.2	**2,951.3**	115.1	4.1
Pension and Benefits Administration	242.3	138.3	**69.6**	(172.7)	(71.3)
Buffalo Pound Water Admin. Board	24.0	24.0	**25.2**	1.2	5.0
Transfers from Reserves					
General Fund Reserve	90.0	-	**2,051.2**	1,961.2	2,179.1
Cemetery Reserve	152.8	-	**152.8**	-	-
Total	47,606.4	47,891.6	**49,079.2**	1,472.8	3.1

Electrical Distribution Revenue

The City receives from SaskPower a 10% municipal surcharge that is added to a customer's bill, and 5% of the SaskPower revenues within the city limits (called a payment in lieu of taxes).

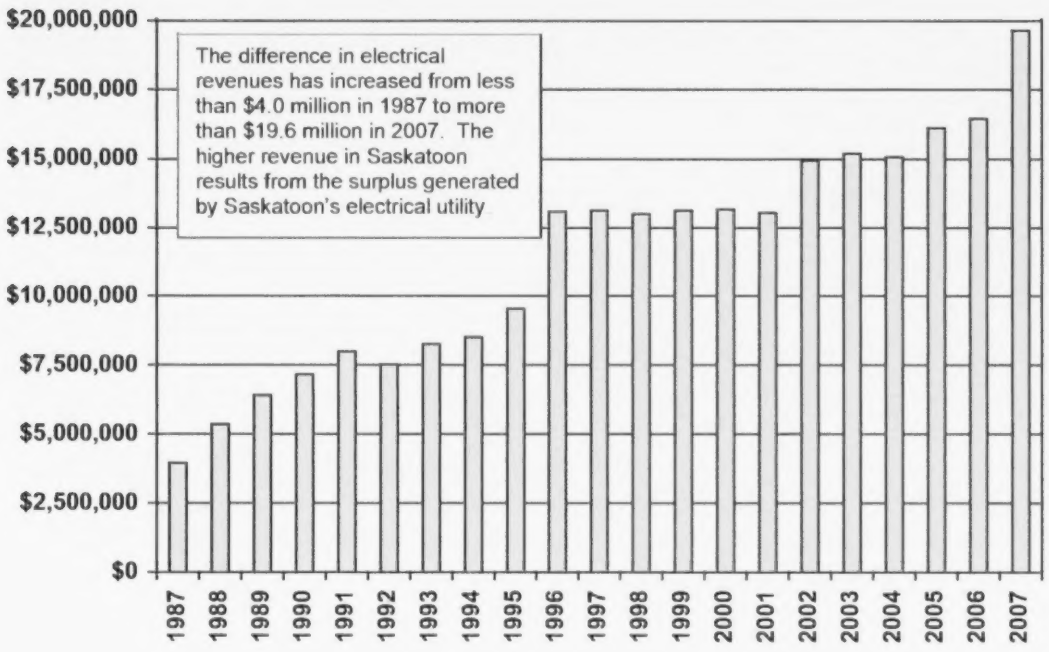
The projected revenue for 2008 is $24,600,000, an increase of $590,000 or 2.5% over the 2007 budget. The 2008 revenue budget is based on a three-year average of the revenue received from SaskPower, after adjusting for rate changes over the three-year period.

The following table details the electrical revenue (budget and actual) since 2003.

Electrical Revenue ($000's)	2003	2004	2005	2006	2007
Budget	19,900.0	20,800.0	21,440.0	22,730.0	24,010.0
Actual	20,745.5	20,760.3	22,123.1	23,904.4	25,378.1
Variance	845.5	(39.7)	683.1	1,174.4	1,368.1

Electrical revenue is the major difference in the revenue available to Regina and Saskatoon. The next graph highlights the **difference** in electrical revenues in the two cities since 1987.

Difference in Electrical Revenues – Regina and Saskatoon



Natural Gas Distribution Revenue

The City receives revenues from SaskEnergy and its subsidiary TransGas on the consumption of natural gas. For SaskEnergy, there is a 5% surcharge (payment in lieu of taxes) that is added to a customer's bill. For customers who do not purchase natural gas from SaskEnergy, but purchase from another supplier, TransGas delivers the natural gas and bills for the transportation cost. TransGas also collects a 5% payment in lieu of tax that is paid to the City. The amount is calculated on the costs of transportation, plus a deemed cost of gas calculated in accordance with regulations. In calculating the deemed cost of gas, the average cost of gas as determined by Saskatchewan Industry and Resources is used.

The TransGas payments with respect to the consumption by Consumers' Co-operative Refineries Limited (CCRL) and Newgrade Energy Inc. (NEI) are subject to an agreement dated October 3, 2000. The agreement was linked to the expansion of the refinery. Prior to the agreement taking effect, the payments from CCRL and NEI for direct purchases of natural gas was calculated on the total amount of natural gas purchased. The companies use natural gas for fuel (fuel stock) and in the production process (feedstock). The agreement provided that once the expansion was operational, natural gas used as feedstock would be eliminated from the calculation of the amount paid to the City, subject to a base amount. The payment to the City will be the greater of an average annual amount of $1,162,050 or the amount due on natural gas used as fuel.

The projected revenue for 2008 is $8,401,400, a decrease of $1,266,100 or 13.1% less than the 2007 budget. Assumptions used to generate the 2008 revenue budget are:

- The projected revenue from SaskEnergy is based on a three-year average, with the revenues over the three years adjusted for rate changes.

- The TransGas payment with respect to the consumption of natural gas by Consumers' Co-operative Refineries Limited and Newgrade Energy Inc. is based on the terms of the agreement, projected natural gas volumes provided by the two companies, and the average deemed cost of gas. Changes in the volume of fuel stock and/or the deemed cost of gas will affect the actual revenue received, subject to the base amount in the agreement.

The following table details the gas revenue (budget and actual) since 2003.

Gas Revenue ($000's)	2003	2004	2005	2006	2007
Budget	7,850.0	8,600.0	8,980.0	9,395.0	9,667.5
Actual	9,612.6	8,837.8	9,431.0	8,709.7	8,448.8
Variance	1,762.6	237.8	451.0	(685.3)	(1,218.7)

There have been substantial variances between the revenue budget and actual revenue. The variances are for the most part related to the payments for direct purchase customers. Variability in consumption and the deemed cost of gas are the major factors.

The following table details the deemed cost of gas since 2003 used in the calculation of the payments in lieu of taxes for direct purchase customers. In addition to the deemed cost of gas, there is an amount added to the deemed cost pursuant to regulations. The amount for 2007 was 13.3 cents per GJ from January to August and 13.0 cents per GJ from September to December.

Deemed Cost of Gas ($ per GJ)	2003	2004	2005	2006	2007
January	5.155	5.340	6.558	10.853	7.086
February	6.094	6.156	6.062	9.658	6.627
March	6.946	6.061	5.965	7.340	6.814
April	8.544	5.577	6.331	6.340	7.130
May	6.204	5.787	6.954	6.092	6.732
June	6.133	6.230	6.768	5.704	6.299
July	6.197	6.795	6.451	5.356	6.015
August	5.751	6.231	6.684	5.413	5.159
September	5.343	6.075	7.544	5.778	5.778
October	5.408	5.197	9.470	5.108	5.108
November	4.893	5.338	11.025	4.782	4.782
December	4.732	6.634	10.379	6.747	6.747

Interest

Interest earnings are a combination of earnings on short-term investments in a money market fund, and revenue from funds held in a long-term bond fund. The projected interest revenue is subject to change due to changes in cash balances and/or interest rates. **The 2008 budget for interest earnings is $4,532,300 an increase of $65,900 compared to 2007 budget**, a small change reflecting higher cash balances due to the Federal and Provincial governments advancing infrastructure funding in advance of expenditures, but lower interest rates.

The following table details the interest revenue (budget and actual) since 2003.

Interest Revenue ($000's)	2003	2004	2005	2006	2007
Budget	3,750.0	3,364.8	3,850.0	4,050.0	4,466.4
Actual	5,594.7	4,198.9	4,756.6	4,786.1	5,232.0
Variance	1,844.7	834.1	906.6	736.1	765.6

Tax Penalties

Tax penalties are applicable to current taxes that are not paid by June 30 each year and tax arrears. The exception for current taxes is where a property owner is paying taxes through the TIPPS program. The penalty rate for current taxes is 1.25% per month, with a rate of 1.5% per month for tax arrears.

The 2008 budget for tax penalties is $1,265,000, no change compared to 2007 budget. Penalties for current taxes have decreased in recent years as more customers (both residential and non-residential) make use of the monthly tax payment program (TIPPS) and as tax arrears decline. The following table details the tax penalty revenue (budget and actual) since 2003.

Tax Penalty Revenue ($000's)	2003	2004	2005	2006	2007
Budget	1,469.0	1,450.0	1,575.0	1,265.0	1,265.0
Actual	1,481.9	1,349.2	1,135.3	965.5	963.9
Variance	12.9	(100.8)	(439.7)	(299.5)	(301.1)

Water and Sewer Utility Transfers

Transfers from the Water and Sewer Utility include:

- A Transfer to the General Operating Fund
- A Utility Administration Charge.

The **Transfer to General Operating Fund** is calculated based on 7.5% of the budget for billed utility revenues for the prior year. Starting in 2004, the transfer includes the benefit to the Utility (estimated to be $675,000) of the additional GST rebate. The rate used to calculate the Transfer in 1990 was 2.5%. The rate was revised to 7.5% starting in 1991. The transfer is intended to reflect a payment in lieu of taxes, or franchise fee. A private utility operating in any City would be required to pay property taxes and/or a franchise fee. Transfers are paid by virtually all utilities operating in Western Canada and are typically in a range of 5 to 15% of total utility revenues.

The **Utility Administration Charge** is calculated as 5% of the budgeted utility expenditures for the prior year. Most corporate functions (City Council, Committees, City Manager, Human Resources, City Solicitor's Office, City Clerk's Office, Accounting, Budgeting, and Acquisitions) are involved in issues or activity related to the Water and Sewer Utility. The percentage transfer is used in lieu of a more detailed cost allocation process. A more detailed process would still involve arbitrary decisions, and would significantly increase the effort and hence cost required as compared to the current policy. The amount of the charge is intended to be an approximate measure of the extent that these corporate costs are attributable to the utility.

In the past, the Transfer also included an amount equal to the benefit received by the Water and Sewer Utility through the Canada Saskatchewan Infrastructure Program (CSIP). The transfer was $1.9 million in 2001, and $2.5 million from 2002 through 2004. There was a transfer of $2.5 million for 2005, the last year of the CSIP program. For 2006 the transfer was directly from the utility to the General Capital Fund, rather than through the General Operating Budget. As a result of the change in the accounting for the transfer in 2005, the 2004 budget and actual amounts have been restated.

For 2007, the utility transfers are $7,688,400, an increase of $300,300 over the transfers in 2006. The next table provides details on the utility transfers since 2003.

Water & Sewer Utility Transfers ($000's)	2003	2004	2005	2006	2007
Transfer to the General Operating Fund					
Base Utility Transfer	3,426.5	3,622.2	3,828.5	3,996.6	4,176.8
GST Rebate Transfer	-	675.4	675.4	675.4	675.4
Total Transfer to General Operating	3,426.5	4,297.6	4,503.9	4,672.0	4,852.2
Utility Administration Charge Transfer	5,594.7	2,465.4	2,599.6	2,716.1	2,836.2
Total Transfers	9,021.2	6,763.0	7,103.5	7,388.1	7,688.4

Transfers From Reserves

The General Fund Reserve is the primary general-purpose reserve maintained by the City. The major sources of transfers to the reserve are the operating surplus, the net revenue of the Real Estate operations (primarily revenue from the sale of land), and unexpended capital funds that are returned to the reserve. The following table provides a projection for the General Fund Reserve.

General Fund Reserve ($000's)

	2007	2008	2009	2010	2011	2012
Reserve Balance - Start of Year	**18,687**	**22,928**	**12,313**	**11,893**	**11,793**	**11,793**
Projected Contributions						
Property Sales	2,110	-	-	-	-	-
Operating Surplus	5,148	-	-	-	-	-
Transfers from Capital	193	1,800	-	-	-	-
Uses of Reserve Funds:						
Transfer to Capital Reserve	-	(1,700)	-	-	-	-
General Operating Budget	-	(2,051)	-	-	-	-
Civic Election	-	-	(150)	-	-	-
Canadian Country Music Awards	-	-	-	-	-	-
Mosaic anniversary	-	-	-	-	-	-
Donation of Equipment to Ipsco Place		-	-	-	-	-
Scotties Tournament of Hearts	-	(50)	-	-	-	-
Gemini Awards	-	-	-	-	-	-
International Tattoo	-	-	-	-	-	-
Centennial Immigrant Sculpture	(310)	-	-	-	-	-
Government House	-	(20)	(20)	-	-	-
National Comedy Festival	-	(50)	-	-	-	-
International Junior Hockey Tournament	-	-	(250)	(100)	-	-
General Capital Program	(650)	(1,415)	-	-	-	-
Land Development	(2,250)	(7,129)	-	-	-	-
Reserve Balance - End of Year	**22,928**	**12,313**	**11,893**	**11,793**	**11,793**	**11,793**

The General Fund Reserve was almost $20.0 million by the end of 2002. **The reserve was significantly reduced since 2002, but had an unaudited balance of about $22.9 million at the end of 2007 as a result of the 2007 surplus, strong sales of industrial land, and some unexpended capital funds returned to the reserve.**

The transfer from the General Fund Reserve to the operating budget is $2,051,200 for 2008, which includes:

- $396,000 to fund the costs of preparation for the 2009 reassessment,
- $200,000 for additional community investments funding for Executive Committee, to provide a transition of funding until the new Community Investment Policy is prepared and adopted by City Council,
- $1.4 million in funding from the 2007 surplus, and
- $20,000 for the 2008 portion of a multi-year commitment for Government House which will end in 2009.

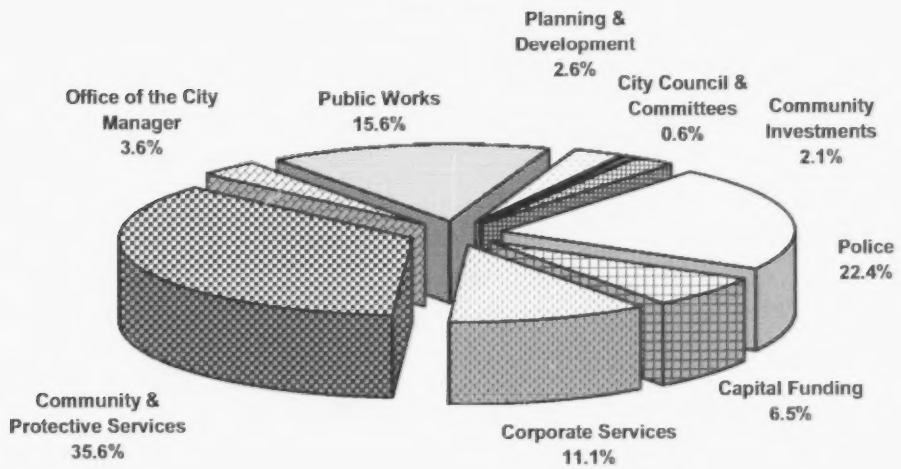
General Operating Expenditures

General Operating Expenditures

Operating Expenditure Summary ($000's)

Expenditures	2007 Budget	2007 Actual	**2008 Budget**	Change 2007 to 2008 Dollar Change	Change 2007 to 2008 Per Cent Change
City Council and Committees	1,370.4	1,206.9	**1,414.3**	43.9	3.2
Community Investments	4,705.0	4,981.2	**4,887.2**	182.2	3.9
Capital Funding	18,518.0	18,518.0	**15,272.5**	(3,245.5)	(17.5)
Office of the City Manager	7,358.0	7,102.2	**8,399.6**	1,041.6	14.2
Community and Protective Services	79,120.3	78,275.1	**83,788.6**	4,668.3	5.9
Public Works	32,594.8	34,279.3	**36,682.8**	4,088.0	12.5
Corporate Services	23,102.5	22,796.9	**26,168.2**	3,065.7	13.3
Planning & Development	4,591.9	4,989.8	**6,231.7**	1,639.8	35.7
Subtotal	171,360.9	172,149.4	**182,844.9**	11,484.0	6.7
Police Department	49,503.4	50,314.7	**52,822.9**	3,319.5	6.7
Total General Operating	220,864.3	222,464.1	**235,667.8**	14,803.5	6.7

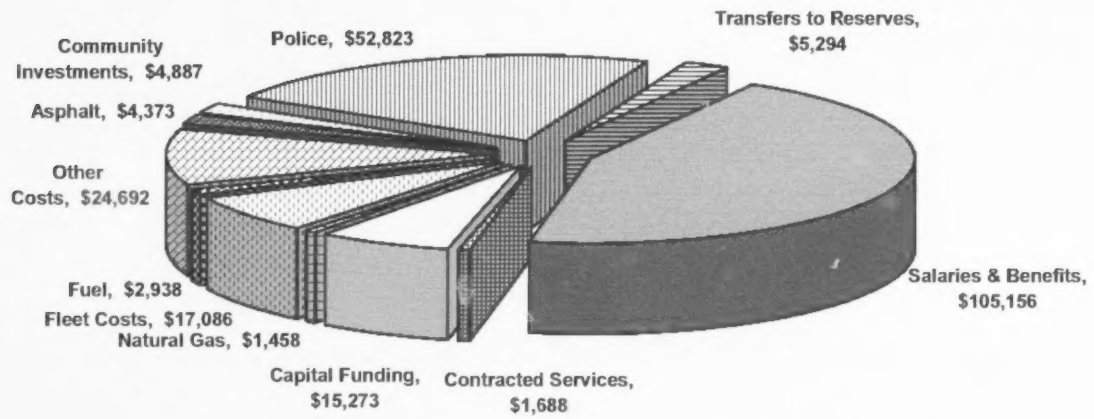
2008 Operating Expenditures



Operating Expenditure Summary ($000's) by Type of Expenditure

Expenditures	2007 Budget	2007 Actual	**2008 Budget**	Change 2007 to 2008 Dollar Change	Change 2007 to 2008 Per Cent Change
Salaries & Benefits	96,797.9	94,750.3	**105,156.2**	8,358.3	8.6
Contracted Services	1,486.7	1,873.4	**1,688.0**	201.3	13.5
Capital Funding	16,651.0	16,651.0	**15,272.5**	(1,378.5)	(8.3)
Community Investments	4,705.0	4,981.2	**4,887.2**	182.2	3.9
Fuel	2,452.0	2,399.5	**2,937.6**	485.6	19.8
Natural Gas	1,488.8	1,352.2	**1,458.3**	(30.5)	(2.0)
Asphalt	4,373.3	4,544.6	**4,373.3**	-	-
Transfers to Reserves	3,518.2	5,383.7	**5,293.9**	1,775.7	50.5
Fleet Costs	15,956.2	16,148.0	**17,085.5**	1,129.3	7.1
Other Costs	23,931.8	24,065.5	**24,692.4**	760.6	3.2
Subtotal	171,360.9	172,149.4	**182,844.9**	11,484.0	6.7
Police Department	49,503.4	50,300.3	**52,822.9**	3,319.5	6.7
Total General Operating	220,864.3	222,449.7	**235,667.8**	14,803.5	6.7

2008 Operating Expenditures
(thousands of dollars)



Why Have Expenditures Increased?

The increase in expenditures for 2008 is about $14.8 million, or an increase of 6.7%. Details of the increase are provided in the next table and the discussion that follows.

Summary of Expenditure Increases – 2007 to 2008

	Amount of Increase		Per Cent Increase
Salaries and Benefits:			
City Council	10,700		
Office of the City Manager	329,100		
Corporate Services	1,403,800		
Community & Protective Services	2,576,600		
Planning & Development	515,300		
Public Works	974,300		
Subtotal		$ 5,809,800	
Capital Funding:			
Contributions to Capital - Civic	(3,096,000)		
Contributions to Capital - Police	(106,000)		
Debt Costs	(43,500)		
Subtotal		(3,245,500)	
Specials and Additions:			
2008 Specials and Additions	6,369,600		
Delete 2007 Specials	(1,506,500)		
Subtotal		4,863,100	
Less Reinvestments:			
Specific Items	(905,200)		
Subtotal		(905,200)	
Other Expenditure Changes:			
Increase in Transfer to Landfill	2,070,300		
Allocated Equipment (including Fleet Fuel)	772,500		
Fuel & Gas	425,600		
Allocated Facilities Trades Costs	267,100		
Other Allocated Costs	228,200		
Electricity	147,100		
Allocated Asphalt Costs	130,000		
Paratransit Services	100,500		
Education & Training	85,500		
Insurance	81,500		
Subsidy Costs	78,500		
Office Related Costs	75,600		
Professional Services	145,000		
Telephone	66,900		
Advertising	59,300		
General Supplies	51,400		
Membership Dues	43,300		
Maintenance of Equipment	43,300		
Conferences/Seminars	43,200		
Car Allowance	42,600		
Receptions & Meetings	35,200		
Field Supplies	28,900		
Claims	26,700		
Employee Awards & Gifts	21,500		
Grants	32,300		
Licenses & Permits	(19,500)		
Transfer to Reserve	(144,900)		
Other Cost Changes	24,200		
		4,961,800	
Total Civic Budget Increase		11,484,000	6.7%
Police Budget Increase:		3,319,500	6.7%
Total Increase - 2007 to 2008		14,803,500	6.7%

In developing the budget, increases in expenditures must be substantiated. **There is no general inflationary increase applied to expenditures**.

Salary and Benefits

The increase in the civic portion of the budget for salaries and benefits of about $3.2 million resulted from:

- The collective agreements for all civic unions (CUPE Local 7, CUPE Local 21, Amalgamated Transit Union Local 588, Civic Middle Management, and The International Association of Fire Fighters Local 181) expired at the end of 2006. New agreements have been reached with CUPE Local 7, CUPE Local 21 and the Amalgamated Transit Union. Arbitration processes are currently underway to resolve the outstanding contract issues with Civic Middle Management and the International Association of Fire Fighters Local 181. Estimated salary increases for all employees total $5.8 million, based on recent settlements.

- Salary and benefit costs have increased in part due to merit increases provided in collective agreements and classification changes.

The next table provides a summary of the staff complement reflected in the General Operating Budget for 2007 and 2008.

The staff complement in the table does not include positions funded through other budgets, including the Water and Sewer Utility Budget, the Costing Fund Budget or the General Capital Budget.

General Operating Budget Staff Complement (FTE's)

	2007 (Restated)			2008			
Department	**Permanent**	**Casual**	**Total**	**Permanent**	**Casual**	**Total**	**Change**
Civic Administration							
Mayor's Office	6.0	1.0	**7.0**	6.0	1.0	**7.0**	-
Office of the City Manager	80.7	1.8	**82.5**	81.2	1.8	**83.0**	0.5
Community & Protective Services	667.5	168.3	**835.8**	681.5	172.3	**853.8**	18.0
Public Works	176.6	57.1	**233.7**	178.7	59.9	**238.6**	4.9
Corporate Services	293.6	18.7	**312.3**	292.1	25.3	**317.4**	5.1
Planning & Development	65.2	4.2	**69.4**	70.1	4.2	**74.3**	4.9
Civic Total	1,289.6	251.1	**1,540.7**	1,309.6	264.5	**1,574.1**	33.4
Police Department	497.5	18.0	**515.5**	512.5	19.0	**531.5**	16.0
Total	1,787.1	269.1	**2,056.2**	1,822.1	283.5	**2,105.6**	49.4

The changes in the staff complement for the Civic Administration include:

In the Office of the City Manager, the changes are as follows:

- A reduction of 2.0 positions in the Employee and Family Assistance Program. This service has been outsourced.
- A reduction of 0.5 in Emergency measures. This position has been transferred to the Community & Protective Services Division.
- An addition of 2.0 positions to Service Regina.
- An addition of 1.0 position as Manager of Branding and Marketing in the Communications Department.
- An addition of 1.0 position to support Strategic Planning and Performance Management.
- A reduction of 1.0 position in the Legal Department.

In Community & Protective Services, the changes are as follows:

- An addition of 0.8 casual positions in Bylaw Enforcement.
- An addition of 4.0 permanent positions in the Fire Department.
- An addition of 1.0 permanent position as Manager of Emergency Preparedness & Business Continuity.
- An addition of 9.0 permanent and 3.0 casual positions in the Transit Department.
- A transfer from Corporate Services to the Skating Program of 0.8 casual positions.
- A reduction of 0.6 casual positions from the Skate Park Program.

In Public Works, the changes are as follows:

- An addition of 0.7 permanent positions to provide operational support for the City Asset Management system.
- An addition of 0.7 permanent positions to provide enhanced customer service.
- An addition of 1.0 permanent position to provide administrative support for the new management structure within the Division.
- An addition of 1.0 permanent position to perform commodity inspections at the Landfill.
- A reduction of 1.4 permanent positions due to reallocations.
- An addition of 1.3 casual positions for additional maintenance of gravel roads, sidewalks and streets, resulting from city growth.
- An addition of 0.5 casual positions for expanded solid waste collection.
- The transfer of the equivalent of 1.0 casual position for fall leaf sweeping transferred from the Water and Sewer Utility to Solid Waste Management.

In Corporate Services, the changes are as follows:

- An addition of 1.0 position as Manager of Strategic Support Services.
- An addition of 1.0 position as Controller.
- An addition of 0.6 positions as a Servicing Agreement Analyst.
- An addition of 0.2 positions as a Licensing Clerk.
- An addition of 1.0 position as a Property Tax Processing Clerk.
- An addition of 3.8 positions for Reassessment
- An addition of 1.3 positions for the Oracle upgrade.
- An addition of 2.0 positions for Tangible Capital Assets.
- An addition of 1.0 position in Facilities and Energy Management.
- A reduction of 6.8 positions due to Corporate Restructuring and reinvestments.

In Planning & Development, the changes are as follows:

- An addition of 1.0 permanent position in Building Inspections as a Building Permit Examiner as a result of the increase in building permit activity.
- An addition of 0.5 permanent positions in Heritage as a Senior Planner.
- An addition of 2.0 permanent positions as the GM of Planning & Development and the Assistant to the GM.
- A reduction of 1.0 permanent position as a Graphics Technologist.
- An addition of 2.4 permanent positions in the Development Engineering Department.

For details in changes to the Regina Police Services staff complement, see the Regina Police Services 2008 Strategic Plan and Budget.

Additions and Specials

The specials and additions for 2008 total $6,369,600. Additions refer to ongoing additions to the base budget that will also be required for future years. Specials refer to one-time requirements for the 2008 budget only. Additions and specials are described in further detail in the divisional operating expenditure summaries in the following sections.

The total cost of additions is $3,179,300, while the cost of specials is $3,190,300. The additions and specials are aligned with City Council's Vision and the Corporate Strategic Plan.

Specials include certain amounts requested for one-time Community Investments:

- $50,000 for hosting of the Scotties Tournament of Hearts, as previously approved by City Council
- $50,000 for hosting the National Comedy Festival
- $20,000 as the 2008 portion of a multi-year commitment to Government House, as previously approved by City Council

The funding for these items will be provided from the General Fund Reserve, and thus has no impact on the net 2008 budget.

Specials included in the budget that are funded entirely by external parties include:

- $281,600 for mosquito control, funded from the Province's West Nile Prevention program.
- $205,000 for the FCM Communities of Tomorrow Feasibility Study, funded by FCM.
- $35,000 for the Urban Aboriginal Leadership Program, funded from a Federal grant program.
- $25,000 for the initiation of a long-term crime prevention strategy for Regina, funded by The National Crime Prevention Centre.
- $2,000 for recognition of Crime Prevention Week, funded in part by SGI and community groups.

The total cost of these items is $523,600 and corresponding revenue has been included in the 2008 budget.

City Council and Committees

Overview

City Council is responsible for the governance of the City of Regina, subject to Provincial legislation. Members of City Council are elected every three years in a municipal election. The next election is Wednesday, October 28, 2009. The Mayor is elected at large. The City of Regina uses a ward system for electing Councillors, with the city divided into ten wards and one Councillor elected in each ward. City Council establishes policies and budgets for the programs and services delivered by the City of Regina. City Council and Committees includes the budgets for:

- The Mayor's Office.
- City Council, including the remuneration of the Councillors, the Councillors' travel and communication allowance, support services and other costs related to City Council.
- Committees established by City Council.
- Memberships in various organizations, including the Saskatchewan Urban Municipalities Association and the Federation of Canadian Municipalities.
- Administrative Review Body established pursuant to section 362 of *The Cities Act*, which was discontinued in 2007.

Operating Expenditure Summary ($000's)

				Change 2007 to 2008	
Expenditures	2007 Budget	2007 Actual	**2008 Budget**	Dollar Change	Per Cent Change
Mayor's Office[1]	604.2	496.7	**623.4**	19.2	3.2
City Council[1][2]	506.2	483.7	**528.1**	21.9	4.3
Committees	123.9	103.6	**131.7**	7.8	6.3
Corporate Memberships	131.1	122.5	**131.1**	-	-
Administrative Review Body	5.0	0.4	-	(5.0)	(100.0)
Total	1,370.4	1,206.9	**1,414.3**	43.9	3.2

Note:

1. *City Council adopted Bylaw 2001-108 that established, effective January 1, 2002, a formula for the remuneration of the members of City Council. The Mayor's remuneration is 77.3% of a Provincial Cabinet Minister's salary for the prior year. The remuneration for a Councillor is one-third the remuneration of the Mayor.*
2. *In 2007, actuals for City Council includes Jinan Twinning expenditure of $32,100, and 2008 budget includes $20,000.*

Staff Complement

Full Time Equivalents	2006	2007	2008
Permanent	5.0	6.0	6.0
Casual	-	1.0	1.0
Total	5.0	7.0	7.0

Analysis of Operating Expenditure Budget Change

Details		($000's)
2007 Budget		1,370.4
1.	Salaries and Benefits - Remuneration increase and related benefit costs for Mayor and Councillors as per Bylaw 2001-108. As of January 1, 2008, the Mayor's salary of $95,785 is 77.3% of Provincial Cabinet Minister's salary established in April 2007 of $123,914. A Councillor's salary of $31,929 is one-third of the Mayor's salary.	5.7
2.	Salary & Benefits - Includes cost changes resulting from merit increases, classification reviews and employer benefit costs.	10.0
3.	Administrative Review Body - this function was previously required under The Cities Act. Very few reviews were required and the requirement has been discontinued.	(5.0)
4.	Delete 2007 Specials.	(52.0)
5.	2008 Special - Mayor's Office audio visual equipment.	3.0
6.	2008 Addition - Council Elected Travel Policy, reflecting a carry forward of previously unspent amounts.	34.0
7.	2008 Addition - Jinan Twinning delegation of China travel, reception, meetings, and gifts.	20.0
8.	Receptions, meetings, and supplies.	14.0
9.	Conferences and seminars.	5.7
10.	Other cost changes.	8.5
2008 Budget		1,414.3

Community Investments

Overview

Community investments are payments to individuals or organizations for a variety of purposes allocated through the following Committees:

- The Parks and Community Services Committee provides financial support to community associations and organizations that provide arts, cultural, recreation, community and social services.
- The Finance and Administration Committee provides financial support for economic and promotional purposes.
- The Executive Committee provides financial support for capital purposes to the Regina Exhibition Association Limited and funding to the Economic Development Investment Fund. The amount allocated in 2008 has been provided to the Regina Regional Economic Development Authority.

While responsibility for allocations has been delegated to Committees, City Council determines the total allocation for the year, and the allocation to each Committee.

Operating Expenditure Summary ($000's)

				Change 2007 to 2008	
Expenditures	2007 Budget	2007 Actual	**2008 Budget**	Dollar Change	Per Cent Change
Parks and Community Services Committee	3,039.5	3,039.5	**3,051.7**	12.2	0.4
Finance and Administration Committee[1]	641.1	641.1	**556.1**	(85.0)	(13.3)
Executive Committee[2][3][4]	490.0	766.2	**745.0**	255.0	52.0
Economic Development Investment Fund	534.4	534.4	**534.4**	(534.4)	-
Total	4,705.0	4,981.2	**4,887.2**	182.2	3.9

Note:

1. *The 2007 Budget for Finance and Administration Committee included a one time special of $85,000 for office relocation for Tourism Regina.*
2. *The 2007 Budget and Actuals for Executive Committee included $70,000 for the 2007 Country Music Awards and $20,000 for Government House.*
3. *The 2007 Actuals for Executive Committee include $100,000 for the Scotties Tournament of Hearts, $51,409 for the International Tattoo, $59,141 to fund a donation of used City equipment to Ipsco Place; $22,899 to the Regina Multicultural Association towards the 20th Anniversary of the Mosaic Festival, $54,584 to host the Gemini Awards in Regina, and $1,527 to provide transportation for the Regina Wheelchair Rugby Tournament.*
4. *The 2008 Budget includes an additional $200,000 for Executive Committee for funding for one time initiatives as a transition to the new Community Investment policy.*

Capital Funding

Overview

The City funds a portion of the General Capital Program through contributions from the operating budget. The operating budget also funds the repayment of debt costs for debt issued to fund capital projects. In accordance with Section 129(1) of *The Cities Act*, the budget is to include "**the amount to be transferred to the capital budget**". In accordance with Section 129(1)(b) the budget is also to include "**the amount needed to pay all debt obligations with respect to borrowings of the city**".

The contributions to capital include two components:

- The contributions to capital to fund the capital budget as submitted by the Board of Police Commissioners.
- The contributions to capital to fund the civic portion of the General Capital Program, excluding the capital program for the Regina Police Service.

Further details of the 2008 General Capital Investment Program are summarized under each Division within this document, and detailed in the 2008 General Capital Program document.

Operating Expenditure Summary ($000's)

				Change 2007 to 2008	
Expenditures	2007 Budget	2007 Actual	**2008 Budget**	Dollar Change	Per Cent Change
Contributions to Capital - Civic	15,700.0	15,700.0	**12,604.0**	(3,096.0)	(19.7)
Contributions to Capital - Police	951.0	951.0	**845.0**	(106.0)	(11.1)
Debt Charges	1,867.0	1,867.0	**1,823.5**	(43.5)	(2.3)
Total	18,518.0	18,518.0	**15,272.5**	(3,245.5)	(17.5)

Office of the City Manager

Mandate

The Office of the City Manager is Council's link to the Administration. The office provides executive direction, strategic guidance and governance support to the Corporation and its officials. It facilitates in the areas of government relations, strategic planning, communications, customer service and organizational effectiveness. The Office also provides advice and support on matters of municipal governance, strategy and protocol, and ensures the City operates according to its legislative requirements.

Overview

The management of the civic administration of the City of Regina (excluding the Regina Police Service) is the responsibility of the City Manager. Appointed by the City Council, the City Manager's authority is established by the City Manager's Bylaw 2003-70 and the Regina Administration Bylaw 2003-69.

The Office of the City Manager also includes the following branches reporting to the Chief of Staff:

- Communications – provides strategic communications advice and services to all City departments, the City Manager and City Council with the goal of effectively communicating programs and services to the public as well as to the City's partners and stakeholders.

- Government Relations – provides a central point of contact for ongoing relationships with stakeholders, including the Provincial and Federal Government, surrounding municipalities, other local governing bodies, Aboriginal organizations, SUMA, Federation of Canadian Municipalities, and "twinned" or partner municipalities.

- Quality and Innovation - is an internal consulting service providing expertise in organizational effectiveness. The branch works in partnership with various business partners to achieve the Corporation's strategic priorities. Its services include business consultation, process facilitation, best practice research, and project and change management.

- Service Regina - champions implementation of the City's customer service strategy and works to achieve the City's goal of providing excellent customer service to the community. The branch also includes the day to day provision of customer service which includes in-person service delivery on the main floor of City Hall; and call centre operations which provide information and services to customers for a broad range of city programs and services.

- Strategic Planning - is responsible for leading the strategic and business planning processes at the City of Regina. The branch is also responsible for the Corporate Performance Management Program, which includes the development of performance measures, benchmarking and analysis, taking action on results and reporting results.

In addition, the following offices provide support to the Administration in coordination with the Office of the City Manager:

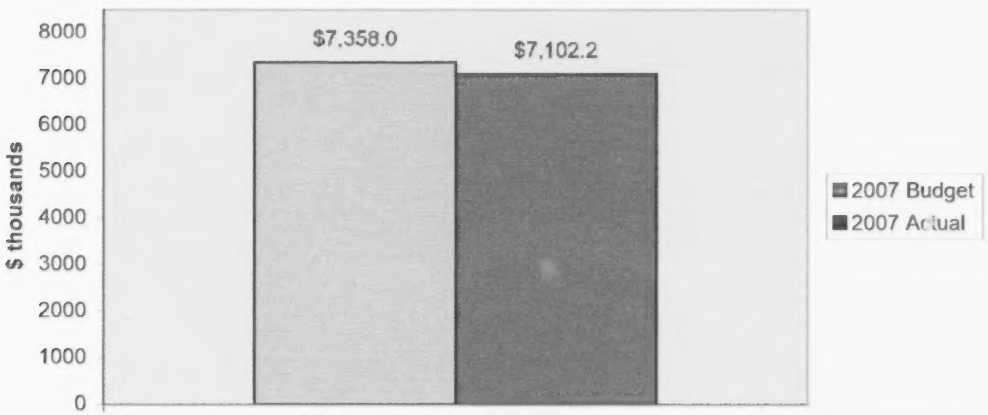
- The Office of the City Solicitor - provides legal services to the Corporation and to ensure the City is administered in accordance with the law, as well as prosecutions and risk management.
- The Office of the City Clerk - ensures Council is advised of its legislative responsibilities, assuring the provision of public notice, the execution of corporate documents, attending all Council meetings and maintaining minutes, safely maintaining all City bylaws; records related to the business of City Council and Committees.

Key Facts

- In 2007 the www.regina.ca website, managed by the Communications branch received more than 1.1 million visits, an average of more than 3,200 visits per day. From 2006 to 2007, total page views increased 10% and the total number of visits increased 26%.
- The two Service Regina contact centres received a combined 224,736 calls in 2007 and answered 193,258 achieving the abandoned rate target of 5%.
- City lawyers appeared in Provincial Court, Court of Queen's Bench, Court of Appeal and administrative tribunals on 42 dates on 33 matters in 2007, and the Municipal Court sat on 200 days in 2007 with 1,064 individual appearances by defendants or their agents.
- Administrative and procedural support was provided for City Council and 27 committees.
- Each month, an average of 255 agendas were created and delivered to elected officials and citizen members of committees. Administrative support was provided for an average of 22 meetings per month.

2007 Highlights

Financial Performance



Operating Expenditures

Operational Highlights

- The corporate reorganization resulted in four new divisions, the establishment of the Office of the Chief of Staff, and the recruitment of a new Executive Leadership Team.
- City Council, jointly with the Administration, updated the Vision For Regina, which was used to develop the Corporate Strategic Plan, Accelerating Excellence 2008-2012.
- Municipal Services Agreements were signed between the City and Piapot First Nation, and Star Blanket Cree Nations.

- In 2007, Communications coordinated major events including "Think Regina" in Calgary, Freedom of the City events for the RCMP and Royal Regina Rifles, "I Love Regina" Day, and the Saskatchewan Roughriders' Grey Cup Pep Rally.

- The City Clerk's Office and City Solicitor's Office created and provided an orientation session on meeting procedures and the City's legislative structure and guidelines for the newly elected members of Council.

- The City Clerk's Office implemented a streamlined process for enabling each department to send and retrieve its information from the off-site storage facility and to have it delivered to and sent from each area. They maintained security and access to the records and provided training to all departments on the use of the off-site storage database. There are 22,691 boxes of corporate records stored at the off-site storage facility, which is a 4.86% increase over 2006. There were 44,532 documents from various departments microfilmed in 2007.

- The City Clerk's Office also created a street naming database to update the "Street Where You Live" book and for use in adding additional approved street, subdivision and park names for historical purposes and research; implemented a new tracking request system to ensure archival requests are being answered in a timely fashion; and completed a first draft of the City of Regina Archives Disaster Plan for incorporation into the City's Emergency Preparedness Plan and to be used as a template for all departments to create a disaster plan in their areas for records.

- The Office of the City Solicitor prepared a report on TILMA, which was adopted by Council at its meeting of May 28: CR07 – 79. The City Solicitor and staff solicitor then accompanied the Mayor who made a presentation to the Standing Committee on Economy of the Saskatchewan Legislature on June 8. This Office also presented its second annual "Legal Forum" providing a full day of training to 80 City and Police staff on May 17.

Strategic Priorities

The Office of the City Manager will initiate projects and activities both corporately and divisionally to support all of the Strategic Priorities of the City and achieve specific outcomes as a result of these efforts. The 2008 Divisional Budget provides the financial resources to deliver these results and is summarized as follows:

Strengthen City Infrastructure & Manage Assets

Our Key Areas of Focus

Divisional

- This division is primarily focused on providing leadership and support for long term asset and financial management strategies as they are developed primarily in other divisions.
- The Communications and Government Relations branches will play a significant role in communicating asset management requirements, including financing, to the public and to other orders of government.

Our Outcomes

- Effective financial management
- A responsive, diverse, well-managed open space system that includes parks, pathways, the urban forest and landscapes
- Reliable water, wastewater, storm and roadway infrastructure
- Revitalized facilities
- Effective fleet management
- Appropriate and efficient information technology tools in a secure environment

Ensure Organizational Capacity & Effectiveness

Our Key Areas of Focus

Corporate

- The introduction of a full planning cycle, which includes the development of divisional business plans, detailed work plans and a corporate Performance Management Program

Divisional

- The development and implementation of a Divisional Contemporary Workplace Plan
- Continued implementation of Core Service Recommendations

Our Outcomes

- Improved business plans and models
- Effective performance measurement and performance management
- Skilled, knowledgeable and engaged employees, supervisors and managers
- A representative workforce

Manage Growth & Community Development

Our Key Areas of Focus

Divisional

- This division is primarily focused on providing leadership, support, and overall integration of the Community, Transportation, Infrastructure, Downtown, and Community Development Plans are developed primarily in other divisions.

Our Outcomes

- A compact urban form and sufficient supply of land for future growth
- Increased pedestrian, bicycle and public transit use
- Optimization of existing infrastructure capacity
- Directed investment to enhance vibrancy of downtown
- Targeted community development activities within inner city neighbourhoods
- A consolidated approach to providing community investments
- A safe living and working environment for the community

Achieve Operational Excellence

Our Key Areas of Focus

Corporate

- The implementation of the City's Performance Management Program with established service level standards and metrics based on a combination of inputs, outputs and outcomes
- The implementation of our Customer Service Strategy which will strengthen customer service delivery capabilities to our community
- The development and implementation of a Public Engagement Framework

Divisional

- Carry out the customer service plan for Reassessment 2009.

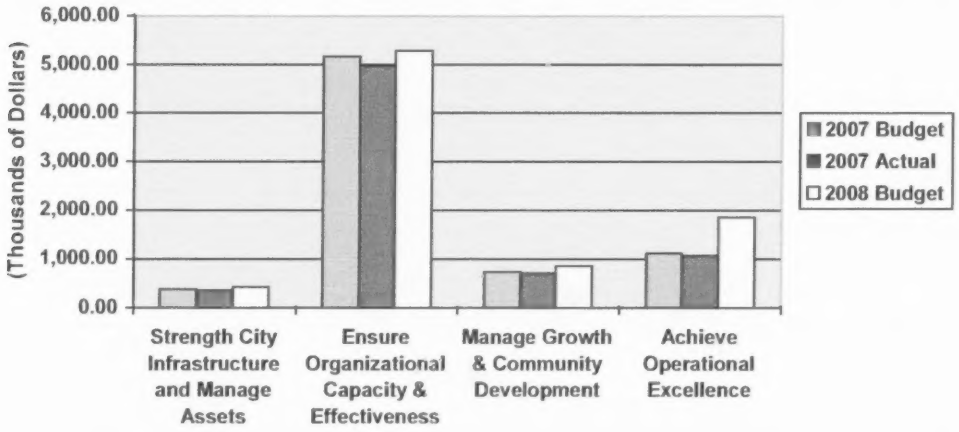
Our Outcomes

- Increased customer awareness and involvement
- Increased customer satisfaction
- Efficient, customer-focused processes

Operating Expenditure Summary ($000's)

To achieve the City's Strategic Priorities the City Manager's Office has estimated its total allocation of operating budget as follows:

By Strategic Priority



In a more traditional format the City Manager's Office has summarized its operating budget as follows:

By Business Unit

				Change 2007 to 2008	
Expenditures	2007 Budget	2007 Actual	**2008 Budget**	Dollar Change	Per Cent Change
Administration	1,324.7	797.6	**825.3**	(499.4)	(37.7)
Quality and Innovation	315.6	718.3	**579.5**	263.9	83.6
Service Regina	817.0	831.2	**1,505.1**	688.1	84.2
Communications	1,159.7	990.0	**1,177.6**	17.9	1.5
Government Relations	-	0.3	**110.6**	110.6	100.0
Strategic Planning	-	-	**260.0**	260.0	100.0
City Solicitor's Office	2,525.3	2,509.7	**2,571.0**	45.7	1.8
City Clerk's Office	1,215.7	1,255.1	**1,370.5**	154.8	12.7
Total	7,358.0	7,102.2	**8,399.6**	1,041.6	14.2

By Expense Object

Expenditures	2007 Budget	2007 Actual	**2008 Budget**	Change 2007 to 2008 Dollar Change	Change 2007 to 2008 Per Cent Change
Salaries & Benefits	5,109.1	5,002.7	**5,795.4**	686.3	13.4
Employee Related Payments	143.7	175.9	**246.9**	103.2	71.8
Office and Administrative Expenses	1,030.5	1,041.0	**1,275.5**	245.0	23.8
Professional Services	1,100.2	724.9	**900.7**	(199.5)	(18.1)
Office & Field Supplies	166.2	231.9	**216.7**	50.5	30.4
Utilities & Rentals	73.7	62.1	**71.6**	(2.1)	(2.8)
Other Expenditures	64.2	59.7	**138.1**	73.9	115.1
Allocated Cost	(329.6)	(197.0)	**(245.3)**	84.3	(25.6)
Total	7,358.0	7,101.2	**8,399.6**	1,041.6	14.2

Staff Complement

Full Time Equivalents (FTE's)	2006	2007	2008
Permanent	76.5	80.7	81.2
Casual	-	1.8	1.8
Total	76.5	82.5	83.0

Note:
2007 Budget and Actual numbers and the 2006 and 2007 FTE's have been restated to reflect the new organizational structure.

Analysis of Operating Expenditure Budget Change

Details		($000's)
2007 Budget		7,358.0
1.	Salaries and Benefits - Includes cost changes resulting from in range progression increases, classification reviews and employer benefits costs.	329.1
2.	Remove 2007 Specials.	(358.9)
3.	Corporate Events - Addition request to provide opportunities for employee communications for corporate iniatives. Special request for funding for two events per year.	35.0
4.	Business Planning - Addition request for one business planner position to support the roll out of strategic and business planning to all business units and work areas. Addition request for two positions beginning in April.	60.0
5.	Consulting services - Special request for consulting services required to support the roll out of strategic and business planning.	50.0
6.	Consulting services - Special request required to support Quality and Innovation branch in carrying out the Legal Services Review as well as expertise related to review of various City programs.	80.0
7.	Consulting Services - Special request to support potential plans for Mosaic Stadium.	150.0
8.	Service Regina - Special request for set up of Service Regina Branch including corporate training, consulting costs, furniture and office setup.	386.7
9.	Service Regina Implementation - Addition request for Service Regina including costs of Service Regina Manager, Project Coordinator , training, and general office costs.	270.8
10.	Hosting of outside events - Special request to cover increased costs for the City Clerk's office related to hosting outside events such as Council workshops.	10.0
11.	Support Staff - Addition request for staff to assist in video coverage of City Council meetings and webcasting services.	30.0
12.	Jinan business office setup - Special request to provide funding to establish an office in Jinan. Conditional upon support being provided by the Province.	93.7
13.	Insurance - Increased costs as a result of higher premiums and higher replacement costs.	76.8
14.	Other cost changes.	(98.5)
15.	Reinvestments.	(73.1)
2008 Budget		8,399.6

Note:
Special request funding – represents one-time or project specific expenditures for the current budget year.
Addition request funding – represents expenditures that would be ongoing past the current budget year.

Community & Protective Services Division

Mandate

"We are dedicated to engaging and supporting the citizens of Regina. We contribute to building a safe, healthy and caring community by providing fire and protective services, parks and open space services, community, recreation and cultural programs and services and, public transportation services that respond to the community's needs and expectations."

Overview

The Community & Protective Services Division provides a broad and diverse range of services which ensure and enhance the quality of life for all residents, neighbouring municipalities and visitors.

The 2008 Divisional Budget is summarized into the following functional areas:

- Administration – The General Manager and administrative staff are responsible for strategic direction to the four Departments, related administrative support, as well as developing divisional policy and carrying out research, communication and project management requirement.

- Community Services – The Department, led by the Director – Community Services, plans, designs, develops, operates and programs aquatics, arts, culture, fitness, recreation and sport facilities; manages Community Investments such as grants, partnerships, sponsorships, and donations; works in partnership with individuals, organizations and the community to identify opportunities and options for program and service delivery; and provides leadership and support to community-based organizations and non-profit human service agencies to identify and address community needs and social issues.

- Parks & Open Space – The Department, led by the Director – Parks & Open Space, plans, designs, develops and maintains the parks and open space system. This includes the provision of professional landscape design, landscape construction and restoration services; maintenance of outdoor play equipment, irrigation systems, and pest control for vertebrate and invertebrate pests such as gophers and cankerworms, as well as diseases that affect the urban forest, such as Dutch Elm Disease.

- Protective Services – The Department, led by the Director - Protective Services, provides fire suppression and emergency response, emergency planning, prevention and public education programs related to fire, natural disasters and other emergency situations. The Department also provides Bylaw Enforcement and inspection services.

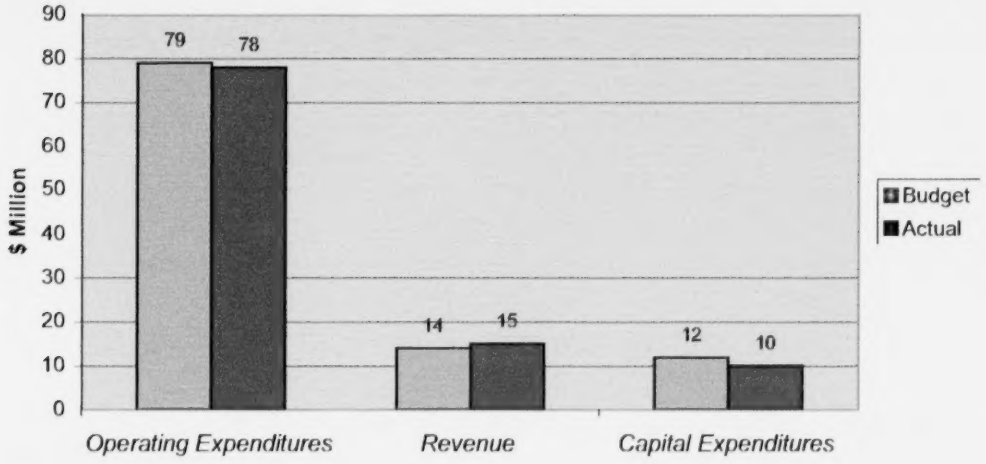
- Transit – The Department, led by the Director – Transit, provides conventional transportation through a regularly scheduled fixed route public transit system, as well as specialized transportation services through Paratransit, with scheduled, shared ride, door-to-door service. The Department also provides charter service within a 25 mile radius of the City, including the Football Express and Ding in the New Year.

Key Facts

- The Division operates three major recreation facilities, which provide sport and fitness opportunities to approximately 1,000,000 users per year.
- The Division operates five outdoor pools that provide instructional and recreational opportunities to approximately 100,000 users per year.
- The Division manages 23 boarded outdoor ice sites, 42 skating sites (no boards) and an outdoor speed skating oval to provide winter recreational and competitive opportunities for residents of Regina.
- The Community & Protective Services Division schedules Mosaic Stadium at Taylor Field, 179 ball diamonds and 94 athletic fields (e.g. soccer, football, field hockey, lacrosse, rugby, lawn bowling greens) which provide recreational, training, and competitive opportunities to approximately 25,000 participants annually.
- The Division operates six neighbourhood recreation centres and provides support to five community operated centres and two Seniors Citizen centers which provide recreational, social, and educational opportunities. The City neighbourhood centers operate approximately 6,500 hours annually with an attendance of approximately 370,000 users per year.
- Regina has one of the most extensive municipal park and open space systems in Canada, providing 11.4 ha of parkland per 1,000 people.
- Regina has an urban forest comprised of more than 130,000 city-owned trees which must be kept healthy. Community and Protective Services was successful at keeping 2007 losses to less than 1%.
- The City maintains 6/10 minute response objective for fire and related emergency services.
- Responds to an average of 41,700 of fire, medical and other emergency dispatches.
- The City has 102 buses which have travelled an average of just under five million kilometres and carry an average of 6.2 million riders annually.
- Paratransit services are provided to 184,000 passengers travelling 1.2 million km.
- The Division manages the Civic Art Collection, which includes 325 pieces with a current value of approximately $1,000,000.
- The City provides funding totalling $3,051,671 for Community Investments administered through the Parks and Recreation Committee. These funds are distributed to over 170 non-profit groups to assist with building community capacity to provide arts, culture, sport, recreation, community and social development programs, and services which contribute to the enhanced quality of life for citizens of Regina.

2007 Highlights

Financial Performance



Operational Highlights

The level of public satisfaction with the services delivered through the Division remains high. This is evidenced by the Division's average score of 3.9 out of a possible 5 in the City's 2007 Omnibus Survey.

In its ongoing efforts to add to the quality of life in Regina, the Division is formulating the Recreation Facility Strategy to 2020. This strategy will provide the direction for new development, renovation, upgrade, and restoration of a range of sport, culture, and recreation facilities. This project was initiated in 2007 and is very close to completion. In addition, a partnership was established with Ipsco Place to assist in the revitalization of their facilities. This revitalization will include a multi-purpose facility featuring six new indoor ice surfaces that will be available to the community. This project is scheduled for completion in 2009.

Other 2007 accomplishments of the Division include the following:

- Received and managed over 125 applications from local film companies requesting use of civic facilities for various filming opportunities.

- Developed successful partnerships with various organizations and community groups:

  - In partnership with Reach, the R Mobile Store at Albert Scott was expanded and renamed the R Healthy Store which included expanded hours of operation to provide the North Central residents with accessible and affordable healthy food.

  - Developed two community gardens, one in North Central and one in McLeod Park.

  - The City of Regina participated on a steering committee to develop a business case and high level design for a shared facility in North Central. The shared facility concept would deliver services in an integrated way with a focus of "learning across the community."

- Collaborated with Regina Downtown in establishing a skating rink at Victoria Park.

- Cleaned all 1,214 memorials of war dead and veterans in the Field of Honour at Regina Cemetery, through funding from the Commonwealth War Graves Commission and Veterans Affairs. The Royal Canadian Legion War Memorial Committee commended the Administration for this effort.

- Provided very effective control of a significantly large cankerworm population, thereby minimizing the potential defoliation which would have resulted.

- In 2007, the Fire Services met the 6/10 Minute Response Objective 97.8% of the time thereby surpassing the 90% performance benchmark.

- Introduced a new fitness screening protocol called the York University Firefighter Applicant Fitness Assessment Protocol, which replicates, as closely as possible, the on-the-job requirements of firefighting. The Department uses the new protocol through the University of Regina to screen all suppression and rescue candidates.

- Completed the search for a proposed site to accommodate a new No. 4 Fire Station within the fire service district to meet neighbourhood needs while continuing to support service requirements on a city wide basis.

- Introduced mobile data computers in two frontline response vehicles through the Mobile CAD pilot project.

- Received a Corporate Safety Award by achieving 128% reduction in lost time accident frequency rate.

- The Voice Logger Project led by Regina Police Service and Regina Fire Department led to approval of the purchase of equipment to provide for all trunked radio users within the corporation to access recording of their radio traffic.

- Recruited and provided orientation training to 29 new firefighters in Suppression and Rescue Division.

- The Transit Department launched the Trip Planner online application which enables transit passengers to create personalized travel itineraries on Regina Transit. The program provides several possible itineraries including maps, walk distances, and transfer information.

- "The BuZZ," a bus wrapped in advertising on the exterior and interior of the bus, won the Canadian Urban Transit Association's Innovation Award. The award was for the introduction, development and use of successful innovative techniques.

- Contract with Creative Outdoor Advertising increased revenue per advertising bench from $89.00 to $200.00 per year.

- Paratransit vehicles were equipped with mobile data computers which track location, speed, and pick-up and drop-off times.

Strategic Priorities

The Community & Protective Services Division will initiate projects and activities both corporately and divisionally to support the four Strategic Priorities of the City and will achieve specific outcomes as a result of these efforts. Community & Protective Services will take a corporate leadership role on initiatives within three of the four Strategic Priorities. The 2008 Divisional Budget provides the financial resources to deliver these results and is summarized as follows:

Strengthen City Infrastructure & Manage Assets

Our Key Areas of Focus

Corporate

- The development and implementation of long-term asset management strategies which will promote the utilization of best practices that ensure the sustainability of city assets and infrastructure.
    - An implementation plan to address the recommendations in the Recreation Facilities Strategy (RFS 2020).

Divisional

- The Division will play a leadership role in completing RFS 2020 in early 2007, and developing an implementation plan.
- The Division will participate in the requirement to implement new accounting requirements for Tangible Capital Assets through providing inventory information.
- The Division will provide long-term capital planning for infrastructure within its mandate for purposes of developing the long term Financial Plan.

Our Outcomes

- A responsive, diverse, well-managed open space system that includes parks, pathways, the urban forest and landscapes.
- Revitalized facilities.

Ensure Organizational Capacity & Effectiveness

Our Key Areas of Focus

Divisional

- The introduction of a full planning cycle, which includes the development of divisional business plans, detailed work plans and a corporate Performance Management Program.
- The development and implementation of a Divisional Contemporary Workplace Plan.
- Continued implementation of Core Service Recommendations.
- Additional full time equivalent firefighter positions have been requested to ensure coverage exists in order for required training to be provided.

Our Outcomes

- Improved business plans and models.
- Effective performance measurement and performance management.
- Skilled, knowledgeable and engaged employees, supervisors and managers.
- A representative workforce.

Manage Growth & Community Development

Our Key Areas of Focus

Corporate

- A comprehensive Community Development Plan that identifies priorities for the City's level of support to community organizations and level of responsibility and involvement in social programming.
- Monitor the growth and development of existing and new residential areas to ensure the provision of fire and emergency services continue to meet the 6/10 response objective.

Divisional

- The Division will play a key coordination role in the completion of the Ipsco Place Revitalization project.
- The Division will lead the Community Investment Review to ensure that Community Investment policies are in alignment with City Council's Vision for Regina.

Our Outcomes

- Targeted community development activities within inner city neighbourhoods.
- A consolidated approach to providing community investments.

Achieve Operational Excellence

Our Key Areas of Focus

Corporate

- A Transit Review and an implementation plan to address its recommendations.
- A review of Paratransit delivery capabilities.

Divisional

- Implementation of the City's Performance Management Program with established service level standards and metrics based on a combination of inputs, outputs, and outcomes.
- The implementation of a Divisional Customer Service Plan, which will strengthen customer service delivery capabilities to our community.
- Implementation of the Express Routes to the University and SIAST on a pilot basis in the fall of 2008.

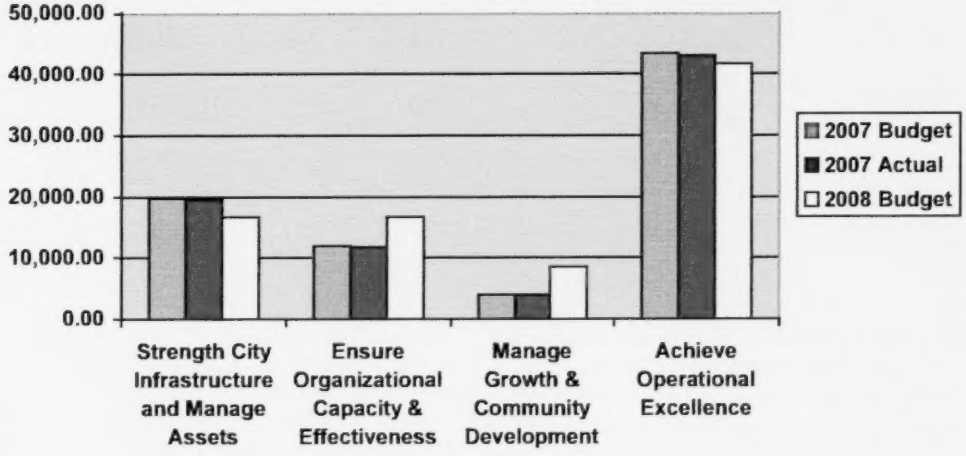
Our Outcomes

- Increased customer awareness and involvement.
- Increased customer satisfaction.
- Efficient, customer-focused processes.

Operating Expenditure Summaries ($000's)

To achieve the City's Strategic Priorities the Community & Protective Services Division has estimated its total allocation of operating budget as follows:

By Strategic Priority



In a more traditional format the Community & Protective Services Division has summarized its operating budget as follows:

By Business Unit

Expenditures (000's)	2007 Budget	2007 Actual	**2008 Budget**	Change 2007 to 2008 Dollar Change	Change 2007 to 2008 Per Cent Change
Community & Protective Services Administration	358.3	366.7	**700.0**	341.7	95.4
	358.3	366.7	**700.0**	341.7	95.4
Community Services Department					
Business & Infrastructure Planning	890.2	848.8	**791.9**	(98.3)	(11.0)
Community Development	1,574.6	1,538.8	**1,811.7**	237.1	15.1
Facilities & Energy Mgmt Costs	553.9	545.9	**585.5**	31.6	5.7
Leisure Services	4,158.9	4,231.9	**4,512.9**	354.0	8.5
Parks and Open Space Mgmt Costs	909.6	892.5	**913.3**	3.7	0.4
Facilities and Energy Mgmt Costs	6,299.7	6,306.6	**6,736.0**	436.3	6.9
	14,386.9	14,364.5	**15,351.3**	964.4	6.7
Parks & Open Space Department					
Cemeteries	855.3	960.5	**881.2**	25.9	3.0
Facilities & Energy Mgmt Costs	52.9	44.0	**53.4**	0.5	0.9
Golf Courses	2,094.4	2,096.8	**2,164.7**	70.3	3.4
Facilities & Energy Mgmt Costs	336.9	315.2	**346.7**	9.8	2.9
Parks & Open Space Mgmt	12,046.5	11,996.9	**12,165.9**	119.4	1.0
Facilities & Energy Mgmt Costs	391.9	416.1	**456.2**	64.3	16.4
	15,777.9	15,829.5	**16,068.1**	290.2	1.8
Protective Services Department					
Business Continuity & Emergency Planning	104.0	96.1	**146.8**	42.8	41.2
Bylaw Enforcement	1,263.7	1,268.8	**1,482.2**	218.5	17.3
Fire Services	26,012.0	25,714.1	**27,151.4**	1,139.4	4.4
Facilities & Energy Mgmt Costs	365.6	352.1	**387.3**	21.7	5.9
	27,745.3	27,431.1	**29,167.7**	1,422.4	5.1
Transit Department					
Conventional Transit	17,058.2	16,605.8	**18,296.5**	1,238.3	7.3
Paratransit	3,107.1	3,091.2	**3,442.8**	335.7	10.8
Facilities & Energy Mgmt Costs	686.6	586.3	**762.2**	75.6	11.0
	20,851.9	20,283.3	**22,501.5**	1,649.6	7.9
Total	79,120.3	78,275.1	**83,788.6**	4,668.3	5.9

By Expense Object

Expenditures	2007 Budget	2007 Actual	**2008 Budget**	Change 2007 to 2008 Dollar Change	Change 2007 to 2008 Per Cent Change
Salaries & Benefits	53,535.3	52,524.0	**56,548.4**	3,013.1	5.6
Facilities and Energy Mgmt. Costs	8,687.5	8,566.3	**9,327.3**	639.8	7.4
Fuel & Gas	2,447.7	2,396.6	**2,933.3**	485.6	19.8
Allocated Fleet Costs	2,574.3	2,645.2	**2,748.1**	173.8	6.8
Paratransit Services	2,323.7	2,321.6	**2,424.2**	100.5	4.3
Wascana Centre Authority	1,440.0	1,440.0	**1,529.0**	89.0	6.2
Other Expenditures	8,111.8	8,381.4	**8,278.3**	166.5	2.1
Total	79,120.3	78,275.1	**83,788.6**	4,668.3	5.9

Costing Fund

Expenditures	2007 Budget	2007 Actual	**2008 Budget**	Change 2007 to 2008 Dollar Change	Change 2007 to 2008 Per Cent Change
Community Services:					
Open Space - Landscape	1,318.9	1,434.5	**1,408.8**	89.9	6.8

This operation provides landscape services, with the costs charged to operating or capital budgets within Community Services and other Departments, or in some instances to external organizations.

Staff Complement

Full Time Equivalents (FTE's)	2006	2007	2008
Permanent	665.5	667.5	681.5
Casual	168.4	168.3	172.3
Total	833.9	835.8	853.8

Note:
2007 Budget and Actual numbers and the 2006 and 2007 FTE's have been restated to reflect the new organizational structure.

Analysis of Operating Expenditure Budget Changes

Details	($000's)
2007 Budget	79,120.3
1. Salaries and Benefits - Includes general salary increases for 2008 and cost changes resulting from in range progression, classification reviews and employer benefit costs.	2,576.6
2. Delete 2007 Specials. (Pest Control $278,800, Fire Support Services $91,000 and Fire Equipment/Programs $30,000). Delete 2007 One Time Investments. (Community Services Administration)	(596.7)
3. Paratransit Contract - The contracts provide for rate increases to June 30, 2008. The delivery of the Paratransit Service is managed through two contracts. One contract provides for the operation and maintenance of City-owned lift-equipped buses. The rate increased July 1, 2007 from $35.63 to $36.70 for each hour of service provided. The second contract provides for the supply, operation and maintenance of minivans to deliver Paratransit Services. The rate increased July 1, 2007 from $32.36 to $33.33 for each hour of service provided. The additional funding relates to a contract extension to December 31, 2008.	100.5
4. Fuel and Gas - The increase reflects an increase in fuel costs in 2007.	425.6
5. Increase in allocated Fleet costs.	173.8
6. Subsidy Expense - This is the cost associated with the "Affordable Fun" program. Low income individuals & families can apply to take part in this program. Qualified applicants can purchase a Leisure Pass at a 50% discount and/or enroll in up to $200 of programs at no cost to themselves. This expense is offset by a corresponding increase in revenues.	78.5
7. Manager, Business Continuity & Emergency Preparedness (2008 Addition). This position previously existed as part of the City Manager's office and due to an employee retirement it has been vacant. Budget dollars for 2008 salary and benefits are needed to fund this position.	95.6
8. Fire - New Positions: Succession planning staffing requirements (2008 Addition). This addition is to increase Suppression and Rescue Branch staffing levels by one position per platoon (4 FTEs) to be dedicated as training position opportunities. The objective is to meet the training requirements that will result from future, predictable retirement numbers. This training model would have firefighters report to the Training Branch in a college-like model, that is solely dedicated to training without the dual requirement of emergency response.	103.0
9. Wascana Centre Authority (2008 Addition). This addition is for the Maintenance of Lands. This would increase the City's funding contribution to $1,549,000 for 2008. The Statutory Obligation would remain at $426,300 and the requirement for the Maintenance of Lands would increase to $1,122,700.	89.0
10. Employee training and development (2008 Addition). This addition is to meet the internal customer services demands required by the Division, its Departments, and staff.	3.0
11. Implementation of Customer Service Strategy Initiatives (2008 Addition). This funding is required to develop a Customer Service Program to assist in achieving the goal of becoming a customer-focused organization.	50.0

Details	($000's)
2007 Budget	79,120.3
12. Graffiti Management Program and Clean Property Bylaw (2008 Addition). This funding includes: (1) for the Graffiti Management Program, the salary and benefits for a Bylaw Enforcement Officer ($40,000), Communications ($10,000), and the community-based organization support ($3,000). In the summer, the officer will help to enhance and strengthen the current Graffiti Management Program which involves eradicating graffiti through education, enforcement, and engagement of the public; and (2) for the Clean Property Bylaw (City of Regina Bylaw No. 9881), the salary and benefits for a Bylaw Enforcement Officer ($33,900). In the winter, the officer will work towards enforcing this bylaw to keep the City's sidewalks clear of ice and snow.	86.9
13. OHSA mandated testing (2008 Addition). The Hearing Conservation Policy, in compliance with Occupational Health & Safety Act, mandates all employees to undergo audiometric testing and counselling at minimum, once every two years.	4.0
14. New Open Space (2008 Addition). This funding is to maintain new park and open space which will be added to the inventory in 2008, as a result of new subdivision development or park upgrades.	41.0
15. Bylaw Enforcement (2008 Addition). This addition is for the placement of waste disposal bins in the Core and North Central communities.	58.0
16. Fire - mobile computer aided dispatch (2008 Addition). The Fire Department is implementing mobile computing devices in emergency response vehicles in 2008.	35.9
17. Urban Aboriginal Leadership Program (2008 Special). This funding allows for the development of an Aboriginal Leadership program to develop young Aboriginal Leaders in the community. Saskatchewan Culture, Youth and Recreation provides the funding to support this initiative.	35.0
18. Crime Prevention Week (2008 Special). The Regina Crime Prevention Commission has identified Crime Prevention Week as one of its priorities for 2008 and this funding will allow for marketing and promotion to increase awareness.	2.0
19. Long term crime prevention strategy (2008 Special). This project is funded by the National Crime Prevention Centre and allows for the development of a long-term Crime Prevention Strategy for Regina. The National Crime Prevention Centre has provided funds to support this initiative.	25.0
20. Parks condition assessment (2008 Special). This represents funding to hire a consultant to undertake a condition assessment of the City's parks and open spaces.	70.0
21. Fire - Prevention and Public Education Branch - new employee training (2008 S Special). Due to significant staff turnover in the Prevention and Public Education Branch, training /certification is required for various new members of the branch.	15.0
22. Fire - new positions (2008 Special). Succession planning staffing requirements, uniforms and personal protective equipment.	14.0
23. Transit - Pilot project (2008 Special). This project will offer express routes to the University of Regina and SIAST for one semester, September to December of 2008. If the Pilot Project is successful, there may be a demand for additional express routes, or continuation of the current routes, which would require funding from the operating budget until such time as the UPass program is approved by the students.	300.0
24. Paratransit - parallel fare structure (2008 Special). This addition is required to assist the paratransit branch deal with the implementation of a parallel fare structure with conventional transit as a result of a Human Rights Complaint settlement.	154.0

Details	($000's)
2007 Budget	79,120.3
25. West Nile Virus Mosquito Control program (2008 Special). For the past few years. Saskatchewan health has provided cost-share funding to Saskatchewan municipalities for West Nile Virus control. This funding must be applied for annually, and is calculated based on $1.50 per person.	277.5
26. Costs transferred to Planning & Development.	(232.1)
27. RFS to 2020 - In its ongoing efforts to add to the quality of life in Regina, the Division is formulating the Recreation Facility Strategy to 2020. This strategy will provide the direction for new development, renovation, upgrade, and restoration of a range of sport, culture, and recreation facilities. This project was initiated in 2007 and will be completed in 2008. The 2008 expense represents the balance of the external consultant's contract.	42.2
28. Wascana Skate Plaza, Public Art Commission - The City integrates public art into significant public spaces projects. This project involves commissioning an artist team to design an artwork entailing such expenses as engineered drawings, concrete and Corten steel materials, installation charges, landscaping expenses and artist fees.	30.0
29. Increase in costs allocated by Facilities & Energy Management.	639.8
30. 2008 Reinvestments.	(117.6)
31. Other cost changes.	88.8
2008 Budget	83,788.6

Note:
Special request funding – represents one-time or project specific expenditures for the current budget year.
Addition request funding – represents expenditures that would be ongoing past the current budget year.

Capital Investment Program

To achieve the City's Strategic Priorities the Community & Protective Services Division has estimated its total allocation of capital investments according to both Strategic Priority and functional Business Unit as follows:

By Strategic Priority

				Change 2007 to 2008	
Expenditures	2007 Budget	2007 Actual	**2008 Budget**	Dollar Change	Per Cent Change
Strengthen Infrastructure & Manage Assets	9,400.6	8,855.0	**8,405.0**	(995.6)	(10.6)
Ensure Organizational Capacity & Effectiveness	250.5	-	**224.0**	(26.5)	(10.6)
Manage Growth & Community Development	2,112.7	768.3	**21,889.0**	19,776.3	936.1
Achieve Operational Excellence	285.2	184.6	**255.0**	(30.2)	(10.6)
Total	12,049.0	9,807.9	**30,773.0**	18,724.0	155.4

By Business Unit

				Change 2007 to 2008	
Expenditures	2007 Budget	2007 Actual	**2008 Budget**	Dollar Change	Per Cent Change
Ipsco Place Revitalization	-	-	**20,000.0**	20,000.0	100.0
Community Services	2,157.0	2,080.9	**839.0**	(1,318.0)	(61.1)
Parks & Open Space	3,182.0	2,414.4	**3,195.0**	13.0	0.4
Fire	645.0	312.0	**2,140.0**	1,495.0	231.8
Transit	5,210.0	4,397.6	**3,745.0**	(1,465.0)	(28.1)
Other	855.0	603.0	**854.0**	(1.0)	(0.1)
Total	12,049.0	9,807.9	**30,773.0**	18,724.0	155.4

Summary of Capital Investments

		($000's)
1.	IPSCO Place revitalization.	20,000.0
2.	Purchase of new Transit and Paratransit buses.	2,130.0
3.	Fire Station No. 4 - 2008's funding for construction of the new facility.	1,750.0
4.	Multi-use Pathway System - the City is continuing to expand and integrate its multi-use pathway network.	725.0
5.	Park Upgrades - restoration of neighbourhood parks as recommended by the Open Space Management Strategy.	600.0
6.	Urban Development Agreement.	500.0
7.	Other projects under $500,000 including Major Recreation Facilities, Community Facilities, Outdoor Athletic surfaces, Cemeteries, Golf Courses, etc.	5,068.0
2008 Capital Budget		30,773.0

Public Works Division

Mandate

"We ensure the City's municipal infrastructure systems are effectively preserved, funded and operated. We are dedicated to implementing best practices that advance safety, consistency, efficiency, reliability and customer service. Specifically, we preserve and operate municipal infrastructure involving roadways, traffic, water, drainage, waste water and solid waste to meet regulatory requirements and community needs."

Overview

As outlined in our Mandate, the Public Works Division provides infrastructure services that are essential to the quality of life in our community. In order to fulfill our mandate and to accelerate achieving the City of Regina's Mission of being the best run municipality in Canada, Public Works has recently restructured into the following functional areas:

- Roadways Operations – The Department, led by the Director - Roadways Operations, maintains and operates roadways, walks and alleys to meet Corporate and community expectations for a safe reliable transportation system.

- Transportation and Material Services – The Department, led by the Director - Transportation and Material Services, provides services to internal and external clients including asphalt and granular materials and engineering solutions to meet regulatory requirements, community safety and program needs.

- Environmental Services – The Department, led by the Director – Environmental Services, designs, constructs, operates and maintains wastewater treatment and solid waste management. The Department also provides engineering services to the Buffalo Pound Water Treatment Plant.

- Water and Sewer Services - The Department, led by the Director – Water and Sewer Services, designs, constructs, operates and maintains essential water, wastewater and drainage systems.

- Administrative Services – The Branch provides strategic and support services to the Public Works Division including Administrative Support for the Division, as well as the Water Meter Shop; Administrative Systems and Logistics; Workforce Development and Training; Budget and Variance Coordination; Customer Service and Dispatch; Business Systems Analysis and Coordination; Data Integration Services; Business Process Improvements; and Long and Short Term Business Planning Coordination; in partnership with other Corporate support areas as appropriate.

Note:

The water, wastewater and drainage services are delivered through the Water and Sewer Utility Budget and are not included in the General Operating Budget.

Key Facts

- Regina's Roadway Network Inventory consists of 914 kilometres paved roads, 29 kilometres of gravel roads, 1,300 kilometres of sidewalks, 172 kilometres of paved alleys, 132 kilometres of gravel alleys.
- The average pavement age of the expressway/arterial network is 13 years, the collector network is 10 years, and the local network is 28 years.
- The City has 168 signalized intersections.
- The overall cost to produce 76,000 tonnes of hot mix asphalts made of slag in the City asphalt plant was $4,200,000. This cost includes cost of materials, labour, equipment to produce asphalt mixes and maintain the plant, as well as management cost and over $300,000 transferred to asphalt plant reserve for future plant upgrades. In 2007, the City's asphalt supply price was approximately 6% less than private contractor's asphalt supply price.
- In 2007, the total amount of material disposed of at the landfill was 550,000 tonnes. This was made up of three main types: 35% garbage, 43% dirt, 22% recycle concrete and asphalt.
- One third of the waste is from residential areas and 2/3 is from industrial/commercial/institutional areas.
- Residential waste collection is provided to 58,000 houses, which amount to over 3,000,000 house visits per year. Each house produces an average of 1 tonne of garbage per year.
- The cost of waste collection is the same as it was 15 years ago.
- The City's waste minimization programs, which include Big Blue Bin, Tinsel Mulch, and the Household Hazardous Waste Day resulted in the recycling of 5,500 litres of paint and 5,900 tonnes of paper – the equivalent of 98,200 trees.

2007 Highlights

- Implemented GPS for sweeping, pothole patching and winter road maintenance. Based on the pilot project a decision was made to proceed with full implementation.
- Implemented new Winter Road Maintenance Policy that was approved in December of 2006.
- To increase emphasis on preserving our roadway infrastructure, during 2007 the Roadways Preservation (Infrastructure Preservation) team grew from 2 people to 12. The original 2 were in the early stages of setting up Asset Management. Between combining with Roadways Technical Support and hiring during the year, the team expanded to 12 permanent staff. Roadways Preservation also employed 12 students who worked on condition evaluation during the summer months.
- Completed the second year of a pilot project to evaluate the feasibility of using a Full Depth Reclamation (FDR) process as a method to reconstruct local and minor collector streets.
- Completed a condition survey of all the traffic bridges in the City. This data will be used to develop an annual maintenance program and prioritize the locations in the Bridge Rehabilitation program in future years.
- The Asphalt Plant aggregate dryer was refurbished by internal staff at the cost of $45,000. This work has allowed the City to delay purchasing of the new $600,000 dryer for 5 years with potential to repeat the same process again in 2012.

- The purchase of natural gas through negotiated contracts saved the City over $280,000 in 2007 as compared to SaskEnergy published rates.

- Purchased a new bucket truck to replace an aging unit, which has resulted in assisting the progress of the installation of detection equipment for the Traffic Signal System Upgrade Project.

- Purchased a hydro vac trailer to allow them to clean underground ducts, to expose underground utilities and for minor excavations.

- Completed 1.4 km. of Centre Square Bikeway design and construction on Smith Street and Lorne Street from College Avenue to Victoria Avenue.

- Through sponsorship from SGI, installed active advanced warning devices at Lewvan Drive & Dewdney Avenue to provide drivers with advance warning that the traffic signals are about to change.

- The regulatory approval stage of new landfill development was initiated in 2007 with engagement of a consultant to begin the environmental assessment process.

- The first stage of the landfill gas collection system was completed and commissioned in 2007. In addition, an agreement was signed with SHEC (Solar Hydrogen Energy Corporation) for beneficial utilization of the landfill gas.

- There was a 12% increase in scale revenue from 2006. This increase was mostly attributed to increased inspection and surveillance to identify more chargeable loads from nonchargeable loads.

- A three year rate schedule was approved for 2008, 2009, and 2010 to ensure funding is available to cover the capital costs for construction of a new landfill area.

- 2007 was the second year of rollout cart implementation for residential waste collection in which approximately 8,500 rollout carts were provided. About 28% of homes are now on rollout cart collection.

Strategic Priorities

The Public Works Division will initiate projects and activities both corporately and divisionally to support the four Strategic Priorities of the City and achieve specific outcomes as a result of these efforts. Public Works will take a corporate leadership role on initiatives within two of the four Strategic Priorities. The 2008 Divisional Budget provides the financial resources to deliver these results and is summarized as follows:

Strengthen City Infrastructure & Manage Assets

Our Key Areas of Focus

Corporate

- The development and implementation of long-term asset management strategies which will promote the utilization of best practices that ensure the sustainability of city assets and infrastructure.

Divisional

- Creation of the Roadways Preservation Department to research and implement best practices in pavement management.

Our Outcomes

- Reliable roadway infrastructure.

Ensure Organizational Capacity & Effectiveness

Our Key Areas of Focus

Divisional

- The introduction of a full planning cycle, which includes the development of divisional business plans, detailed work plans and a corporate Performance Management Program.
- The development and implementation of a Divisional Contemporary Workplace Plan, including training and performance management.
- Continued implementation of Core Service Recommendations.

Our Outcomes

- Improved business plans and models.
- Effective performance measurement and performance management.
- Skilled, knowledgeable and engaged employees, supervisors and managers.
- A representative workforce.

Manage Growth & Community Development

Our Key Areas of Focus

Corporate

- Partner with Planning & Development in the development and implementation of plans, strategies and initiatives to manage the City's growth.

Divisional

- Participation in the Servicing Agreement Fee Policy.

Our Outcomes

- Optimization of existing infrastructure capacity.

Achieve Operational Excellence

Our Key Areas of Focus

Divisional

- Implementation of the City's Performance Management Program with established service level standards and metrics based on a combination of inputs, outputs and outcomes
- The implementation of a Divisional Customer Service Plan which will strengthen customer service delivery capabilities to our community.

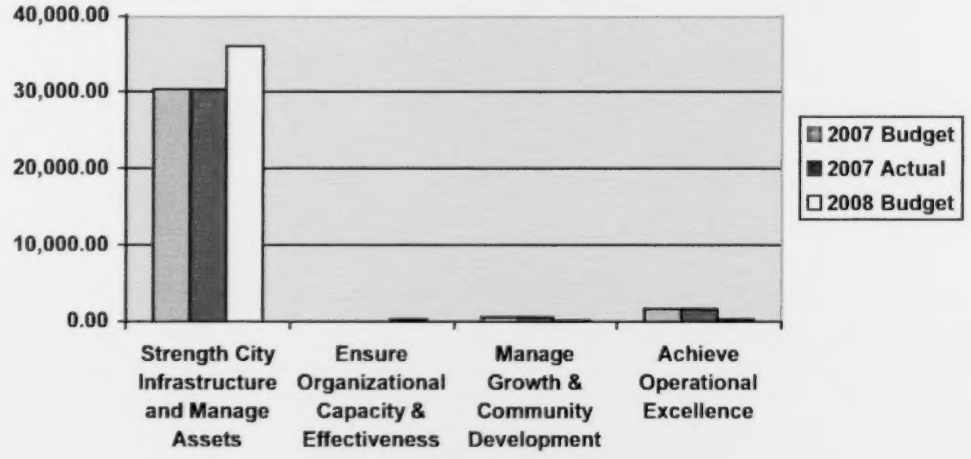
Our Outcomes

- Increased customer awareness and involvement.
- Increased customer satisfaction.
- Efficient, customer-focused processes.

Operating Expenditure Summary ($000's)

To achieve the City's Strategic Priorities the Public Works Division has estimated its total allocation of operating budget as follows, which reflects its focus on infrastructure:

By Strategic Priority



In a more traditional format, the Public Works Division has summarized its operating budget as follows:

By Business Unit

Expenditures (000's)	2007 Budget	2007 Actual	**2008 Budget**	Change 2007 to 2008 Dollar Change	Change 2007 to 2008 Per Cent Change
Administration	1,583.8	1,722.2	**1,765.4**	181.6	11.5
Transportation & Materials Services					
Roadway Preservation	1,307.7	1,125.7	**1,379.2**	71.5	5.5
Asphalt Production & Field Services	117.4	75.5	**178.4**	61.0	52.0
Traffic Engineering & Administration	1,511.8	1,803.9	**1,535.4**	23.6	1.6
Traffic Signals & Lighting	883.4	792.7	**1,014.1**	130.7	14.8
Traffic Control & Parking	806.2	862.4	**894.3**	88.1	10.9
Street Lighting	2,997.1	3,011.5	**3,146.6**	149.5	5.0
Roadways Operations					
Roadways Administration	2,096.5	2,845.5	**2,549.9**	453.4	21.6
Roadways Operations	3,049.0	2,953.6	**3,176.8**	127.8	4.2
Street Sweeping	875.1	926.2	**1,005.6**	130.5	14.9
Winter Road Maintenance	4,598.2	4,598.2	**4,714.8**	116.6	2.5
Maintenance of Alleys	2,716.0	2,680.3	**2,838.9**	122.9	4.5
Environmental Services					
Environmental Engineering	408.7	427.9	**447.2**	38.5	9.4
Solid Waste Administration	1,101.4	902.7	**1,042.5**	(58.9)	(5.3)
Residential Collection	2,621.8	2,816.4	**2,865.0**	243.2	9.3
Commercial Collection	297.6	275.3	**330.4**	32.8	11.0
Landfill Operations	1,441.7	1,725.3	**1,770.0**	328.3	22.8
Waste Mimization	570.3	504.6	**629.1**	58.8	10.3
Transfer to Landfill Reserve	3,164.3	3,770.5	**4,940.0**	1,775.7	56.1
	32,148.0	33,820.4	**36,223.6**	4,075.6	12.7
Facility Costs[1]					
Administration, Roadways & Traffic	289.6	295.0	**295.2**	5.6	1.9
Waste Management	157.2	163.9	**164.0**	6.8	4.3
	446.8	458.9	**459.2**	12.4	2.8
Total	32,594.8	34,279.3	**36,682.8**	4,088.0	12.5

Note:

1. *Facility costs are allocated from the Facilities and Energy Management Division of the Corporate Services Department.*

By Expense Object

Expenditures (000's)	2007 Budget	2007 Actual	**2008 Budget**	Change 2007 to 2008 Dollar Change	Change 2007 to 2008 Per Cent Change
Salaries & Benefits	13,627.2	13,571.0	**14,989.3**	1,362.1	10.0
Equipment & Fuel	6,652.8	6,404.4	**7,362.5**	709.7	10.7
Electricity & Natural Gas	3,580.2	3,589.0	**3,741.8**	161.6	4.5
Construction Materials	2,253.0	2,180.7	**2,406.8**	153.8	6.8
Goods & Services	2,044.1	2,723.6	**2,204.0**	159.9	7.8
Administration & Other Expenditures	1,273.2	2,040.1	**1,038.4**	(234.8)	(18.4)
Transfer to Landfill Reserve	3,164.3	3,770.5	**4,940.0**	1,775.7	56.1
Total	32,594.8	34,279.3	**36,682.8**	4,088.0	12.5

Costing Fund

Expenditures (000's)	2007 Budget	2007 Actual	**2008 Budget**	Change 2007 to 2008 Dollar Change	Change 2007 to 2008 Per Cent Change
Public Works					
Granular Material & Asphalt Plant	4,373.3	4,633.4	**4,690.8**	317.5	7.3
Roadway Operations	1,253.9	1,658.7	**1,296.3**	42.4	3.4
	5,627.2	6,292.1	**5,987.1**	359.9	6.4

Staff Complement

Full Time Equivalents	2006	2007	2008
Permanent	162.2	176.6	178.7
Casual	56.1	57.1	59.9
Total	218.3	233.7	238.6

Note:
2007 Budget and Actual numbers and the 2006 and 2007 FTE's have been restated to reflect the new organizational structure.

Analysis of Operating Expenditure Budget Change

Details		($000's)
2007 Budget		32,594.8
1.	Salaries and Benefits - Includes cost changes resulting from salary increases, in-range progression increases, classification reviews and employer benefit costs.	1,571.3
2.	Delete 2007 Specials.	(283.7)
3.	Fleet Costs - Increase in equipment expenses due to the increased cost of fuel, fleet garage charges and depreciation charges as vehicles and equipment are replaced.	572.4
4.	Materials Costs - increase in costs such as gravel, salt and asphalt for pavement patching, sidewalk maintenance, alley maintenance, and sanding and salting streets.	17.6
5.	Increase in transfer to the Landfill Reserve resulting from higher rates to support future capital costs.	1,775.7
6.	Employee Education - addition request to provide increased formal training to enhance leadership, business, supervision/management and technical skills. The training is required to address new skills and processes, as well as to provide for the significant ongoing succession within the Division.	58.3
7.	Employee Development - addition request to provide funding for employees to attend business and technical conferences/meetings on behalf of the City and for employee development to enhance knowledge, skills and relationships. The training is required to address new skill, processes and relationships which are essential for change within the organization as well as significant ongoing succession within the Division.	57.1
8.	Business Process Improvement - addition request to provide full operational support and implementation of the City's Asset Management system (SPL) that was partially implemented in 2006. The initial implementation of SPL focused on the financial components. Developing and implementing the operational aspects of SPL for Public Works needs to be done to ensure efficient and effective operations.	73.1
9.	Customer Service - addition request for administrative/analyst support to improve processes, guidelines, follow-up and coordination of Requests for Service from the public and Councillors.	56.8
10.	Administrative Support - addition to improve administration support for the new management structure that has been designed in the corporate restructuring as well as the integration of human and financial resource functions/services within the Division.	45.3
11.	Gravel Road Maintenance - Annexation - addition to increase blading and spot gravelling required to maintain the passability and safety on 8.71 km gravel roads which are being annexed by the City.	35.0
12.	Sidewalk Maintenance Expanded Network - addition request to provide for sufficient routine maintenance funding for additional sidewalks that have been constructed due to growth.	7.8
13.	Street Sweeping - addition request to provide sufficient funding for additional roadways that have been constructed as a result of growth over a number of years. A single sweep of all City streets is done in the spring, with additional minor sweeping as funding permits for parades, dignitary visits, CFL football games and downtown.	85.0
14.	Traffic Signal Software Upgrade - addition request to fund the annual software upgrade agreement with ECONOLITE. The ICONS systems is used to control the City's traffic signals and now that the Traffic Signal Upgrade Project is being completed, an annual cost for updating the software and providing technical support is needed.	30.0

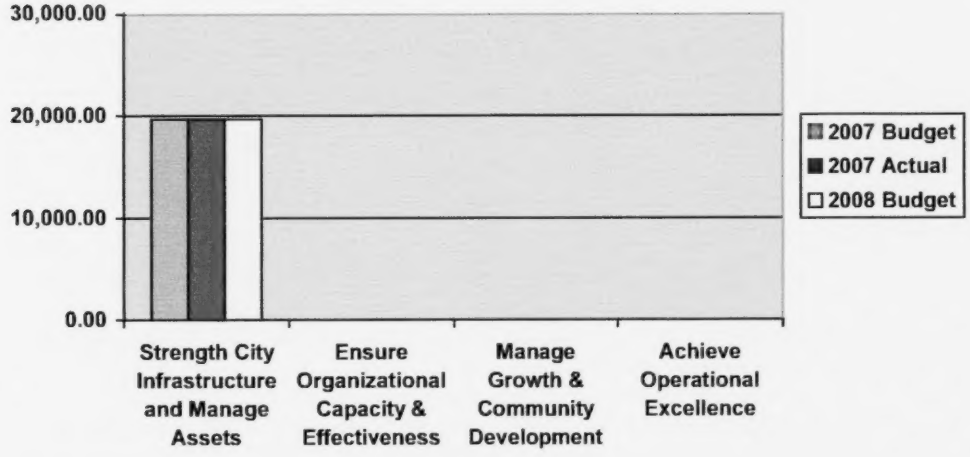
Details	($000's)
15. Maintain Roadway Safety-Line Painting - addition request to extend the line painting services to new roadways which have been constructed as a result of growth in the City.	30.0
16. Radio Detection Cable Locator - special request to fund the purchase of a new Radio Detection Cable Locator, to locate City of Regina underground cable infrastructure in preparation for construction projects to prevent cables from being accidentally damaged or dug up.	8.0
17. Furniture and Fixtures - to provide adequate office space and furniture for the staff that were added to support the implementation of asset management.	27.2
18. Software Maintenance Charges - addition request to execute maintenance agreements for asset management software purchased in 2007. dTIMs Software (6.0) and Vemax software (8.0)	14.0
19. Data Storage and Management - addition request to contract for environmental data management. The system will manage environmental data (historical and new) for landfill groundwater monitoring required by regulatory permit, due diligence monitoring, and snow dump site monitoring.	12.0
20. Solid Waste Expansion - addition request to provide for waste collection services to new homes resulting from growth in the City. Will provide the existing level of service to the estimated 550 new homes built in 2007.	27.7
21. Additional Back Alley Collection - to provide a second refuse pickup for residential back alley containers in areas of the City where ally litter and trash problems have been know to exist. Four extra pickups from Spring to Fall, when month-ends do not correspond to the regular pickup, has proven successful in reducing the excess liter and trash. Over the past 3 years the cost of this service has been absorbed by the department, however, increasing expenses and expanded service have eliminated excess funds.	10.0
22. Fall Leaf Sweeping - this program is being transferred from Water and Sewer Utility to Solid Waste Management.	100.0
23. Landfill Grinding Operations - to minimize the amount of material that is landfilled. The landfill is diverting trees, wood pallets, decking and construction lumber and grinding the material to be useable in other areas.	60.0
24. Landfill Control - A landfill commodity inspector will be performing inspections of loads to ensure the appropriate fees are charged. It is estimated that these inspections will result in increased revenues.	55.0
25. Solid Waste Management Strategy - special request to provide funding for a consultant to perform a Solid Waste Management plan for 2008. The last management plan was in 1999, which was a "status quo" plan. Major changes to Solid Waste have taken place since 1999.	200.0
26. Back Alley Container Repairs - normal replacement funding for back alley containers was previously eliminated with the anticipated transition to front street pickup. The full transition to front street pickup has not occurred as anticipated, thereby creating a need for additional repairs to the existing back alley containers.	20.0
27. Pavement Patching - to address localized deficiencies involving roadway structural failures, potholes, severe cracking, depressions, drainage and erosion problems. Work is prioritized by the severity of the deficiency and traffic volumes.	65.0
28. Accidents and Claims - increase in service contract for emergency repair of bridge guardrails. This service is essential to public safety.	23.4
29. Paved Alley Maintenance - Material Costs - to provide for a sustainable alley system that is passable, safe, affordable, efficient and environmentally responsible. The request is to cover an increase in material costs.	54.0

Details	($000's)
30. Gravel Alley Maintenance Costs - addition request to provide a sustainable alley system that is passable, safe, affordable, efficient and environmentally responsible. This request is to cover an increase in material costs.	11.0
31. Street and Alley Lighting - addition request to accommodate the SaskPower proposed rate increase for street and alley lights as well as to accommodate residential growth in the City.	149.5
32. Traffic Signals - Electricity - addition request to accommodate the SaskPower proposed rate increase for electricity costs associated with Traffic Signals, Pedestrian Corridors, Pedestrian Half Signals and Christmas Decorations.	12.1
33. Maintain Roadway Safety-Line Painting - to address shortfalls in budget for the materials. The line painting program provides motorists with clear indications of lane locations, stop lines, pedestrian crossings, speed hump locations and disabled parking stalls. Most streets in the City are being painted twice in the season.	30.5
34. Other Costs	(235.0)
35. Reinvestments	(100.5)
36. Transfers to the Planning & Development Division	(587.6)
2008 Budget	36,682.8

Note:
Special request funding – represents one-time or project specific expenditures for the current budget year.
Addition request funding – represents expenditures that would be ongoing past the current budget year.

Capital Investment Program

To achieve the City's Strategic Priorities the Public Works Division has estimated its total allocation of capital investments according to both Strategic Priority and functional Business Unit as follows:



Summary of Capital Investments

Details	($000's)
1. Street Infrastructure Renewal - This project includes asphalt recapping, upgrading of centre medians in conjunction with recapping, funding of the pavement management information system survey, funding for local improvement work, curbs and gutter replacement, and reconstruction and recapping of roadways in conjunction with local improvement work.	14,000.0
2. Upgrade 11th Avenue Bridge over Wascana Creek - This project will provide for major repairs to address structural deficiencies identified in 2007.	780.0
3. Traffic Management and Parking - Improvements at intersections include better channelization, signing, lane designation, pavement markings, warning devices, additional turning lanes, improved horizontal and vertical alignments, traffic calming and removal of sightline impediments. Intersections are analyzed for improvements based on accident statistics, traffic counts, public concerns and observations.	203.0
4. Pedestrian Protection - Improvements include the installation of pedestrian corridors, pedestrian half signals, pedestrian crosswalk signs, no parking signs and the installation of fences adjacent to high-speed roadways. The program also includes public awareness advertising to educate pedestrians and motorists on the proper usage of pedestrian safety devices particularly for school aged pedestrians.	105.0
5. Street Lighting - Streetlights are installed and maintained by SaskPower, with funding provided by the City. This capital program provides for the installation of new street lights along roadways that do not have lights and to upgrade light levels on streets with lights to meet the City's minimum illumination standard.	70.0
6. Downtown Street Luminaire Replacement - The luminaries on top of downtown decorative street light poles are being replaced by SaskPower. The new luminaries are brighter, therefore, the number of lights required are less. Approximately 150 of the 384 downtown street light poles are being de-energized and luminaries removed. The redundant poles will remain, as they are still required to support parking meters and maintain the present streetscape design. This budget item provides funding for capping the redundant poles with a decorative top that will have the capability of supporting banners. $91,000 is provided to complete the program, which started in 2007.	91.0
7. LED Replacement Program - This is a new program to replace all incandescent traffic signal bulbs with an LED equivalent. The initial replacement is planned over a five year period to align with the life cycle of LED bulbs and to ensure that work can be completed in conjunction with other planned work. This program will result in electricity cost savings and will meet anticipated legislative requirements banning the use of incandescent light bulbs by 2012.	195.0
8. New or Enhanced Traffic Signals - Typical projects range from installation of a complete set of new traffic signals at an intersection, to minor phasing changes. Signal phasing changes involve modifying signal plans in response to changing traffic patterns. Locations are determined after analysis, consultation with residents and submission of a report to the Works and Utilities Committee. The installation of new signals or improvements to existing signals reduces the potential for collisions reduces congestion and delay in the movement of people and goods and reduces harmful emissions caused by idling vehicles. The proposed funding typically accommodates five new signalized intersections a year with a cost of $100,000/intersection. Remaining funds are used for other work, including the installation of audible pedestrian indications and new left turn indications.	590.0

Details	($000's)
9. Traffic Signal Rehabilitation - This is an ongoing project that will replace traffic signal poles, ducts and wiring. This equipment has an expected life span of 25 years at which time poles and their components should be replaced. Some rehabilitation work will take place through the traffic signal system upgrade. Program locations are selected based on the condition of the signal and coordination with major roadway improvement projects. Five locations have been identified for rehabilitation work in 2008.	500.0
10. Roadway Crossing Safety Improvements - The funding provides for safety improvements at at-grade railway crossings where anti-whistling is planned.	50.0
11. Ring Road Sign Rehabilitation Program - At the present time, there are 44 large information signs and 13 exit signs along Ring Road from Victoria Avenue to Pasqua Street. These signs are beyond their design life and are deteriorating rapidly. The cost to replace all the information, exit signs and support posts is estimated at $300,000 if done as a single year project. This program replaces six to ten signs per year and is ongoing until all signs have been replaced.	30.0
12. Tourist Signing Phase II - In 2008, $40,000 is provided to implement the second phase of the Tourist Signing Program. Phase II involves additional entrance signing on the highways that are currently not signed and on Regina Avenue at the airport, as well as more trailblazer signs leading to attractions.	40.0
13. Landfill Improvements and Upgrades - In 2008, this program will provide for fencing, fire detection, a system for enhanced waste compaction and to extend the site buffer.	1,095.0
14. Landfill Capping and Closure - The projected costs for the capping and closure of the Fleet Street Landfill are in the range of $21 million. This will provide for preliminary engineering related to cover design (test cover plots), a closure plan update and pre-design and design engineering and construction of the cover. In 2008, $700,000 is provided and in 2009, $4 million is provided for engineering design, cover material, borrow pit acquisition and development. Starting in 2009, cover placement could begin on portions of the landfill that are at final configuration. The major element of landfill closure is fill progression. Fill progression is the sequencing of garbage placement on the landfill hill so as not to cause problems such as slope instability and also to achieve the most efficient use of air space for garbage disposal.	700.0
15. Industrial Grinder - An industrial grinder will process select materials (tires, wood wastes, asphalt shingles, bulk items, etc.) that are currently landfilled. Processed material will be reused offsite by a third party or used as cover material with clean dirt. This practice is common with progressive landfill management operations as landfill life is increased and reuses are found to replace primary materials.	350.0
16. Landfill Compost Site Development - This funding will provide for site development requirements to move the current large scale composting operation to City lands west of Fleet Street. The current composting operations is located on the first stage of new landfill expansion lands and therefore, must be relocated.	600.0
17. Replace Truck Scale Decks at Asphalt Plant - The decks are subject to rust as a result of the salty environment and should be replaced to ensure proper safety. In 2007, fatigue damage occurred on the outbound scale. It is recommended that both the inbound and outbound decks be replaced in 2008.	180.0
18. Public Works Building and Yard Facility Maintenance - The Public Works Division's main operations area is between Albert Street and Smith Street from 4th Avenue to 6th Avenue. In 2005, a study was undertaken to identify the maintenance requirements of the Public Works Yard buildings for the period from 2006 to 2016. The 2008 allocation is based on the historical annual allocation and not the requirements identified in the study.	133.0
2008 Budget	19,712.0

Corporate Services Division

Mandate

"We excel in providing services and support to our customers, both internal and external; enabling City operations to maximize its effectiveness and potential. Our Corporate Services team includes Financial Services, Information Technology Services, Human Resources, Fleet Services and Facilities and Energy Management."

Divisional Overview

As described in our Mandate, the Corporate Services Division is primarily focused internally to provide services to other Divisions within the Corporation. In addition, through the Property Tax and Assessment, as well as Utility Billing and Licensing branches the Corporate Services Division interacts with all Regina property owners. Corporate Services is currently establishing its first Divisional Plan, as well as supporting Business Unit plans towards delivering on the Corporation's Strategic Priorities including establishing the City of Regina as a Contemporary Workplace. Many of the initiatives being undertaken have significant corporate implications. The 2008 Divisional Budget is summarized into the following functional areas:

- Administration – The General Manager and administrative staff are responsible for strategic direction to the five Departments, related administrative support, as well as establishing and monitoring corporate policy and governance requirements.

- Facilities and Energy Management – The Department, led by the Director – Facilities & Energy Management, provides the space planning, construction project management, physical plant maintenance and the day-to-day operation of City-owned facilities. The division also provides for the corporate energy management and air quality programs, the electricity and natural gas utility program, Central Stores, Salvage and Fuel Programs and the Natural Gas Vehicle Program.

- Financial Services – The Department, led by the Director – Financial Services, provides internal and external financial reporting, accounting, budget, purchasing, cash management, and investment and debt management services for the Corporation. The division also carries out the assessment function, as well as customer services for tax billing, collection and enforcement. It manages customer service, billing and collection for the City's water, wastewater and drainage utility and is responsible for licensing and fines.

- Fleet Services – The Department, led by the Director – Fleet Services, supports the delivery of City programs and services (excluding Fire, Transit and Police fleets) by providing fleet management, maintenance and operator training services.

- Human Resources – The Department, led by the Director – Human Resources, provides assistance to all divisions in identifying the most effective and efficient human resources strategies to help maximize the potential of all employees. This support is through providing information, coaching, counselling, advice, support, and recommendations related to Recruitment and Selection, Healthy Workplace, Training and Development, Rewards and Recognition, Organizational Development and Effectiveness, Labour Relations, Workforce Forecasting and Succession Planning, and HR Information Systems and Processes.

- Information Technology Services – The Department, led by the Director – ITS, coordinates the development/selection, implementation, operation and support of information technology and computerized applications used by the City. The Department also provides leadership in business

technology planning, identifying new technology opportunities and the integration, sharing and security of data, as well as delivering corporate printing and mail services.

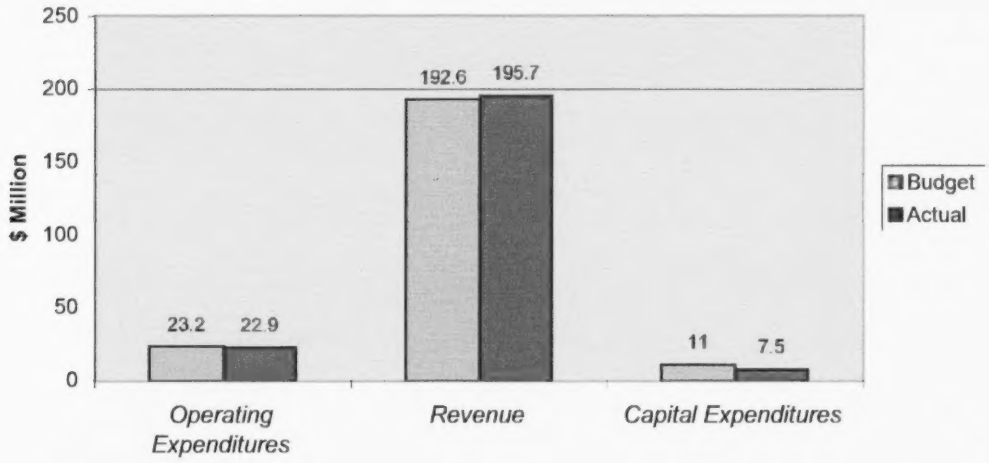
- Pensions and LTD – This business area provides administrative services to several Pension and Long Term Disability Plans (LTD), which serve the City of Regina as well as other employers. This business area is funded through pension and long-term disability plans, and maintains a working relationship with the Plans' Administrative Boards and the Corporate Services Division.

Key Facts

- 67.6% of the total operating expenditures of this Division result from staffing related costs.
- Facility & Energy Management supports more than 220 buildings and almost 400 additional structures including a range from recreational, administrative and operational buildings to spray pools, bus shelters and park structures.
- Financial Services provides all tax notices and utility bills to over 60,000 households within the City.
- Fleet Services manages 959 vehicles within the overall fleet, which has been reduced by 20% since 1998.
- Human Resources supports all the recruiting undertaken by the City with over 400 job postings/competitions in 2007.
- ITS supports over 1,200 City staff who utilize over 50 different business applications through a state-of-the-art network connecting 60 City facilities.

2007 Highlights

Financial Performance



Operational Highlights

Corporate Services remains focused on becoming a leader within the municipal sector and the following highlights from 2007 demonstrate this commitment:

- The Corporate Services Division was created in 2007, with the hiring of a new General Manager. As part of the corporate restructuring initiatives, the Fleet Services and Facilities & Energy Management Departments were moved into the Corporate Services Division from what is now known as the Public Works Division. This resulting structure consolidates the primary internal service areas into one

Division, which has allowed for a stronger focus on providing an integrated service to Corporate Service's customers.

- In 2007, the Division developed a revised Regina Administration Bylaw that focused on improving process efficiency with the corporation and increase in administrative accountability. Early results have shown positive improvements within the organization and an update to City Council will be provided in late 2008.

- Several significant new building projects were undertaken, including the first renovation to Henry Baker Hall in over 30 years and the construction of a new facility to replace outdated buildings for both Parks and Facilities & Energy Management staff.

- During the summer of 2007, the Little League Canadian Championships were held at Kaplan Field. This required significant upgrades to the facility in preparation for this national event.

- In the spring of 2007, field turf was installed at Mosaic Stadium at Taylor Field. In November, the Saskatchewan Roughriders hosted their first playoff game since 1988, and the day after the Grey Cup game, the Roughriders and the Grey Cup were welcomed home at Mosaic Stadium.

- The Human Resources Department, through engagement with the organization's staff and management, established the City's first People Practices Strategy to guide the future direction of Human Resources initiatives within the City. In addition, a new Contemporary Workplace definition was developed to define how employees, managers, and supervisors along with other key stakeholders can continue to make the City of Regina a people-centred, customer-focused, and results-oriented work environment.

- The second Employee Survey was conducted in 2007, resulting in a 7% increase in the participation rate and a 1% increase in the Overall Engagement Score, with the largest increase in Supervisor effectiveness.

- The City of Regina received a Certificate of Achievement from the Worker's Compensation Board of Saskatchewan, recognizing the City's reduction in lost time injury claims for 2007.

- The City of Regina's Workforce Diversity Strategy to 2009 was reviewed with Council highlighting a number of initiatives including the establishment of a Workforce Diversity Advisory Committee, respectful workplace training, participation in Career Fairs, and several public presentations of the program. As of September 30, 2007 the City's workforce included 30.22% Women, 7.03% Aboriginals, 4.6% Persons with Disabilities and 1.8% Visible Minorities.

- The Fleet Department also began a pilot project to review the effectiveness of a new Fleet Status communication tool to allow for better planning and communication with its internal customers towards maximizing the effectiveness of the fleet and City operations.

- An annual Technology Update was prepared by the Information Technology Services Department to provide an update on significant projects and plans to the City's management team. This project will provide the basis for the development of the City's Long-Term Technology Plan that will be undertaken in 2008.

- The Financial Services Division participated in a joint Municipal/Provincial Committee to review the current gap in funding to municipalities, which resulted in a draft report on redefining the revenue sharing model within Saskatchewan. This report will be considered by the Provincial Government towards establishing a new financial framework for Saskatchewan cities.

Strategic Priorities

The Corporate Services Division will initiate projects and activities both corporately and divisionally to support the four Long-term Strategic Priorities of the City and achieve specific outcomes as a result of these efforts. The 2008 Divisional Budget provides the resourcing to deliver these results and is summarized as follows:

Strengthen City Infrastructure and Manage Assets

Our Key Areas of Focus

Corporate

- Long term Asset Management Strategies which will promote the utilization of best practices that ensure the sustainability of City Assets and Infrastructure.
- A Long Term Financial Strategy which will ensure financial sustainability and plan for innovative, balanced financing strategies.
- Funding strategies for infrastructure renewal and long-term asset maintenance and replacement.
- A Facilities Plan which will review all of our facilities with a view to revitalization.

Divisional

- Implementation of Public Sector Accounting Board standard 3150, which requires the capitalization of Tangible Capital Assets. This will ensure that the City's infrastructure is reflected in its financial statements, as well as provide a more rigorous framework for asset management.
- Participation in the development of an implementation plan for RFS to 2020, with a focus on facilities.
- Development of a Long Term Facilities Plan for the City which includes the development of policies related to the City's own-use operational facilities.
- Ongoing Fleet Management activities, including improved communications with fleet customers.

Our Outcomes

- Effective financial management.
- Revitalized facilities.
- Effective fleet management.

Ensure Organizational Capacity & Effectiveness

Our Key Areas of Focus

Corporate

- The development and implementation of a long-term People Practices Plan (Corporate Strategic Human Resources Management Plan) that will enable the City to become a contemporary workplace.
- The implementation of our workforce diversity program which includes initiatives to strengthen Aboriginal partnerships.
- A long-term technology plan which includes a focus on supporting our workforce needs and ensuring the security of our systems.

Divisional

- Enhance Information Support Systems and processes to deliver relevant and actionable information which will assist in decision-making and effectively support operational requirements.
- Completion of the Oracle Financials Upgrade.
- Development of the Technology Plan.
- Phase I of the Client Services Delivery Model, implementing the highest priority improvements in delivery of Financial, Human Resources and Information Technology Services.

Our Outcomes

- Appropriately skilled and knowledgeable employees.
- Engaged employees, supervisors and managers.
- Appropriate and efficient information technology tools in a secure environment.

Manage Growth and Community Development

Our Key Areas of Focus

Corporate

- A comprehensive Community Development Plan that identifies the City's level of support to community organizations and the level of responsibility and involvement in social programming.

Divisional

- Completion of the financial analysis required to support the Servicing Agreement Policy review.
- Development of the financing strategy for the wastewater treatment plant, including debt instruments, options for terms, and maintenance of the City's bond rating.

Our Outcomes

- A compact urban form and sufficient supply of land for future growth.
- Optimization of existing infrastructure capacity.
- A consolidated approach to providing community investments.

Achieve Operational Excellence

Our Key Areas of Focus

Corporate

- Implementation of the City's Performance Management Program with established service level standards and metrics based on a combination of inputs, outputs, and outcomes.
- Implementation of the Customer Services Strategy.

Divisional

- A new Corporate Services Delivery Model which will ensure Corporate Services is employing leading practices, improving internal Customer Service and defining Service Levels and Accountabilities.
- Services related to Reassessment 2009, including provision of information related to tax policy decisions for City Council and delivery of communications that includes web, in person, and telephone communications.

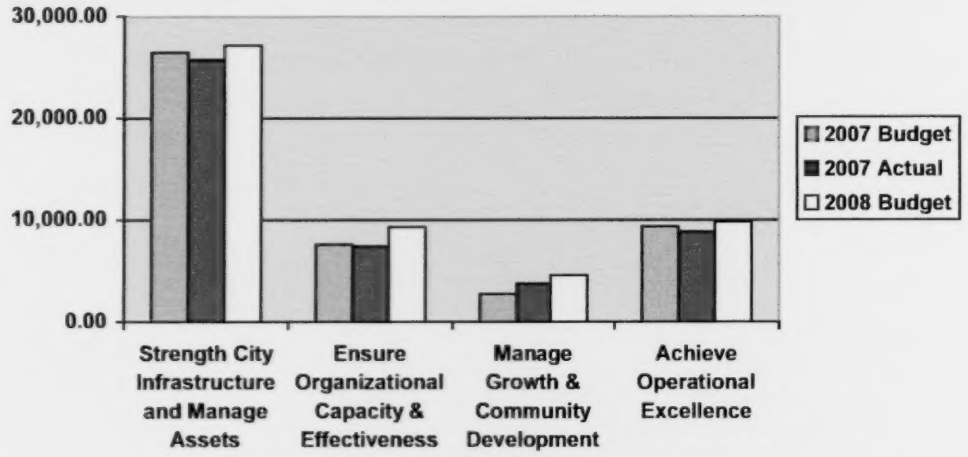
Our Outcomes

- Increased customer awareness and involvement.
- Increased customer satisfaction.
- Efficient, customer-focused processes.

Operating Expenditure Summaries ($000's)

To achieve the City's Strategic Priorities, the Corporate Services Division has estimated its total allocation of operating budget (including the Costing Fund) as follows:

By Strategic Priority



In a more traditional format the Corporate Services Division has summarized its operating budget as follows:

By Business Unit

				Change 2007 to 2008	
Expenditures	2007 Budget	2007 Actual	**2008 Budget**	Dollar Change	Per Cent Change
Administration	223.8	10.2	**954.9**	731.1	326.7
Facilities and Energy Management	3,286.1	3,187.8	**3,551.3**	265.2	8.1
Financial Services	10,147.5	10,282.0	**11,501.4**	1,353.9	13.3
Human Resources	3,501.6	3,674.7	**4,043.8**	542.2	15.5
Information Technology Services	5,871.0	5,579.7	**6,046.0**	175.0	3.0
Pensions & LTD	72.5	62.5	**70.8**	(1.7)	(2.3)
Total	23,102.5	22,796.9	**26,168.2**	3,065.7	13.3

By Expense Object

Expenditures	2007 Budget	2007 Actual	**2008 Budget**	Change 2007 to 2008 Dollar Change	Change 2007 to 2008 Per Cent Change
Salaries & Benefits	16,380.3	15,545.5	**17,740.2**	1,359.9	8.3
Goods & Services	2,583.8	3,153.2	**3,813.5**	1,229.7	47.6
Administrative Expenditures	1,394.2	1,227.3	**1,841.0**	446.8	32.0
Fine Admin Fees & Security Charge	950.0	1,028.9	**960.0**	10.0	1.1
Software Maintenance Charges	845.5	798.1	**885.5**	40.0	4.7
Electricity & Natural Gas	559.9	537.6	**540.1**	(19.8)	(3.5)
Other Expenditures	388.8	506.3	**387.9**	(0.9)	(0.2)
Total	23,102.5	22,796.9	**26,168.2**	3,065.7	13.3

Costing Fund

The Corporate Services Division provides service to other Divisions that are charged out to their operating budgets. On a stand alone basis, these costs are reflected as follows:

Expenditures	2007 Budget	2007 Actual	**2008 Budget**	Change 2007 to 2008 Dollar Change	Change 2007 to 2008 Per Cent Change
Facilities & Energy Management	8,270.6	8,087.7	**8,885.9**	615.3	7.4
Fleet Services	13,387.9	13,502.8	**14,337.4**	949.5	7.1
Information Systems	1,437.0	1,491.0	**1,439.4**	2.4	0.2
	23,095.5	23,081.5	**24,662.7**	1,567.2	6.8

Staff Complement

Full Time Equivalents (FTE's)	2007	2008
Permanent	293.6	292.1
Casual	18.7	25.3
Total	312.3	317.4

Note:
2007 Budget and Actual numbers and FTE's have been restated to reflect the new organizational structure.

Analysis of Operating Expenditure Budget Changes

Details	($000's)
2007 Budget	23,102.5
1. Salaries and Benefits - Includes cost changes resulting from in-range progression increases, classification reviews and employer benefit costs.	970.9
2. Market Supplement - This program provides funding to allow the City to address recruitment and retention problems related to salaries not being competitive in the marketplace. The market supplement allows the City to play on a level playing field with other employers within the Regina Metropolitan area labour market. The collective bargaining agreements identify certain occupations eligible for a market supplement retroactive to January 2007. The estimated expenditure for 2008 also includes a determined market supplement of $4/hour for heavy duty mechanics (35 positions within the City of Regina).	389.0
3. Humane Society Administration - Addition request due to renegotiated contract for animal impoundment and control services.	532.8
4. Reassessment - Special request of funding for implementing the Provincially legislated 2009 assessment methodology and execution of communication and customer service plans. (396.5) In addition Assessment software changes are required to support the new methodogy. (15.0)	411.5
5. Corporate Employee Rewards and Recognition Program - Addition request for the development and implementation of a corporate-wide employee recognition program in 2008.	200.0
6. Tangible Capital Assets - Public Sector Accounting Board Section 3150 states that Tangible Capital Assets must be recorded on the City's 2009 Financial Statements with beginning balances, additions, disposals, writedowns and amortization with comparison to 2008. Special request for 1.3 FTE to implement new accounting standards.	156.5
7. HVAC and Security Control Contract - Addition request in support of the department's preventative maintenance program, the introduction of a HVAC and Security System Control Maintenance Contract for digital control systems in 11 civic buildings. Maintenance contracts include inspection, diagnostic and repair services.	100.0
8. Oracle Financials System Upgrade - Special request for 2.0 FTE to implement the upgrade to Oracle Financials. The current version is no longer supported by the vendor. This project ensures the City's financial software remains current and vendor-supported.	90.0
9. Legal Costs for CMM & IAFF Arbitration - Special request for the cost of the Arbitration hearings following the 2006 expiring of Collective Agreements including arbitrator expenses, legal counsel and meeting rooms.	90.0
10. Controller Position - Addition request for 1.0 FTE towards management of corporate accounting, purchasing and other policy to support the development of e-governance processes and stronger financial controls.	82.5
11. HR Consulting Services - Special request for consulting services for the Out of Scope job evaluation program.	40.0
12. Tax Notices - Special request for advertising and media services to ensure effective communication with taxpayers around the 2008 Mill Rate changes and impact of other taxing authorities.	40.0

Details	($000's)
13. Software Maintenance Increase - Primarily cost for new packages obtained throughout the year, such as Content Management System, as well as additional Oracle systems such as Asset Management, Human Resources and Financials.	40.0
14. New office building maintenance staff - Addition request due to the opening of the New Parks and Facilities administration building in the early fall of 2008, resources are required to maintain the achitectural, structural, mechanical and electrical systems. For 2008 0.3 FTE will be allocated to this building.	30.0
15. Furniture replacement - Special request to replace furniture based on 2008 employee requirements. (19.2) Also providing furnishings for two meeting rooms and an employee break room in the New Parks and Facilities administration building. (20.0)	39.2
16. Processing Clerk - Addition request for TIPPS imaging software maintenance and 0.6 FTE to support an increasing volume of Tax Instalment Payment Plan applications.	32.3
17. Other - Additional incidental expense increases not otherwise identified.	247.0
18. Reinvestments – with a continued focus on Core Services Review recommendations and ongoing operational efficiencies, Corporate Services has identified cost savings from initiatives such as EFAP program changes, accessing external funding programs, staffing vacancies, and implementing more incidental operational changes.	(426.0)
2008 Budget	26,168.2

Note:
Special request funding – represents one-time or project specific expenditures for the current budget year.
Addition request funding – represents expenditures that would be ongoing past the current budget year.

Capital Investment Program

To achieve the City's Strategic Priorities the Corporate Services Division has estimated its total allocation of capital investments according to both Strategic Priority and functional Business Unit as follows:

Strategic Priority

				Change 2007 to 2008	
Expenditures	2007 Budget	2007 Actual	**2008 Budget**	Dollar Change	Per Cent Change
Strengthen Infrastructure & Manage Assets	9,065.5	6,697.4	**7,563.4**	(1,502.1)	(16.6)
Ensure Organizational Capacity & Effectiveness	936.2	410.6	**791.9**	(144.3)	(15.4)
Manage Growth & Community Development	531.2	177.1	**400.1**	(131.1)	(24.7)
Achieve Operational Excellence	468.1	205.3	**454.9**	(13.2)	(2.8)
Total	11,001.0	7,490.4	**9,210.3**	(1,790.7)	(16.3)

Business Unit

				Change 2007 to 2008	
Expenditures	2007 Budget	2007 Actual	**2008 Budget**	Dollar Change	Per Cent Change
Facilities and Energy Management	5,312.0	1,771.1	**4,001.0**	(1,311.0)	(24.7)
Fleet Services	4,339.0	4,941.1	**4,586.3**	247.3	5.7
Information Technology Services	1,350.0	778.2	**623.0**	(727.0)	(53.9)
Total	11,001.0	7,490.4	**9,210.3**	(1,790.7)	(16.3)

Summary of Capital Investments

Details	($000's)
Facilities & Energy Management	
1. General Allocation - This project is required to keep City Hall in a reasonable state of repair such that City programs can continue to effectively operate at the complex. The work typically includes all physical plant maintenance and some renovations but does not include major enhancements or additions to the facility.	255.0
2. Main Floor Renovations - Funding planned for consulting to design renovations to the main floor to address the program requirements identified in the Customer Service Strategy.	150.0
3. Meeting Room Functionality Upgrades - Outfit the upgraded meeting rooms adjacent to Henry Baker Hall (HBH) to provide full functionality and meet the needs of users. This work is to be completed in conjunction with HBH renovations and will provide for more flexible meeting space throughout the day, and limit after hour meetings to the main floor of City Hall, ensuring a more secure tower.	150.0
4. 14th & 15th Floor Renovations - Renovate the 14th and 15th floors of City Hall to accommodate new organizational needs including customer service initiatives and employee safety and security requirements.	1,000.0
5. Parkade Restoration - A consultants report recommends structural repairs in the short term to avoid costlier repairs in the future. If the repairs are not made the structure could become unsafe. In 2005, repairs were made to the stairwells and drainage issues were corrected.	1,600.0
6. Lower Roof Replacement - At the completion of this project, the entire lower roof of the building will have been replaced along with a fall restraint system (OH&S requirement).	100.0
7. General Allocation - Funding to be used to address maintenance requirements identified in the Public Works Yard maintenance audit, including the replacement of worn overhead doors on the west side of the Light Fleet Garage.	167.0
8. General Allocation - Facility Capital Planning Program - Multi-year funding to complete and update the Facility Capital Planning program through assessment of Facilities.	50.0
9. General Allocation - Acquired Properties - Funding to improve property acquired through the tax title process or other means to make it saleable or rentable. Projects may include demolitions, environmental clean-up, leasehold improvements, and other repair of maintenance projects.	429.0
10. General Allocation - Operational Yard & Field Administration Facilities (Parks & Facility Yard) - For the construction of the new shop building in the Parks Yard to accommodate Parks and Facilities employees currently located in the Forestry building and the GM Plant.	100.0
Fleet Services	
11. Fleet Replacement - In 2008, seventy-nine fleet vehicles and mobile equipment units will complete their economic life. Replacement of these units will preserve an acceptable average fleet age and maintain acceptable vehicle availability, safety, reliability, productivity, and maintenance costs.	4,586.3
Information Technology Services	
12. Business Applications - Financial Suite upgrade will allow for improved business processes.	330.0
13. Network Infrastructure - Expansion of the wireless network will provide City facilities and traffic intersections with faster, cheaper connections to the network.	218.0

Details	($000's)
14. Desktop Infrastructure - Growth in the number of staff using technology means additional Microsoft Office licenses are required in order to remain compliant.	50.0
15. Digitial Print Infrastucture - Plate-making technology to improve customer turn-around time and save production costs.	25.0
2008 Budget	9,210.3

Planning and Development Division

Mandate

"We provide a long-term comprehensive approach to planning, engineering and development processes to ensure the efficient use of land and community infrastructure in creating a city that reflects Council's Vision and the goals of Regina residents. Specifically, the Division encompasses land use, neighbourhood, transportation and infrastructure planning, long-range capital planning, development review, building permits and inspection and real estate services."

Overview

As described in our mandate, the Planning and Development Division is primarily focused on managing growth, development and the provision of infrastructure which is responsive to the needs and aspirations of the community. The Division is organized into the following functional areas:

- Planning and Sustainability – this Department, led by the Director is responsible for preparing and maintaining the Official Community Plan (OCP) to guide the future growth of Regina, and the implementation of the OCP through zoning, subdivision approval and building permitting and inspection processes. The Department also administers housing, heritage and sustainability programs to enhance quality of life. The planning process is collaborative and responsive to the community, and dedicated to guiding development in a manner which is cost effective in its demand for infrastructure, achieves a high quality of life, provides housing choice, and is sustainable.

- Development Engineering – this new Department, led by the Director, consists of two branches – Technical Services and Infrastructure Development. The Technical Services Branch manages infrastructure – related activities on behalf of the Department. These activities include coordination of development, infrastructure renewal and capital construction, provision of geomatics and drafting services in support of construction programs, maintenance of infrastructure assets database, and liaison with utilities and other outside agencies. The Infrastructure Development Branch is responsible for long-range infrastructure planning, design and construction as well as the review and approval of new development. The Infrastructure Development Branch also manages development policies and programs related to standards, specifications, and fees. Infrastructure Development is structured on a matrix model, where staff have responsibilities for delivering projects in their technical areas as well as for providing support for growth activities.

- Real Estate Services – the Real Estate Branch provides the City of Regina with all required real estate services, including industrial land development, the purchase or lease of properties when needed for City operations, the sale or lease of City-owned properties, disposition of properties taken under the tax enforcement process, acquisition of easement rights, and the provision of real estate information and services to local developers, real estate agents and City residents.

Key Facts

- 81% of the total operating expenditure of the Division results from staff related costs. Our product is information used to leverage all development activity in the City in a manner intended to align with and achieve community objectives.

- Through zoning and building permit processes, the Division directed a record $338 million worth of new construction that occurred in Regina in 2007 towards achieving community development objectives.

- More than 100 development applications were logged under subdivision and zoning approval processes in 2007, resulting in the creation of parcels and regulatory standards to accommodate new development.

- Amendments to the OCP identified future industrial land potential by more than 200 ha.

- Concept plans for new communities to accommodate more than 20,000 additional population were reviewed, refined and approved in 2007 to ensure a high quality of life and cost effective and sustainable services will be provided.

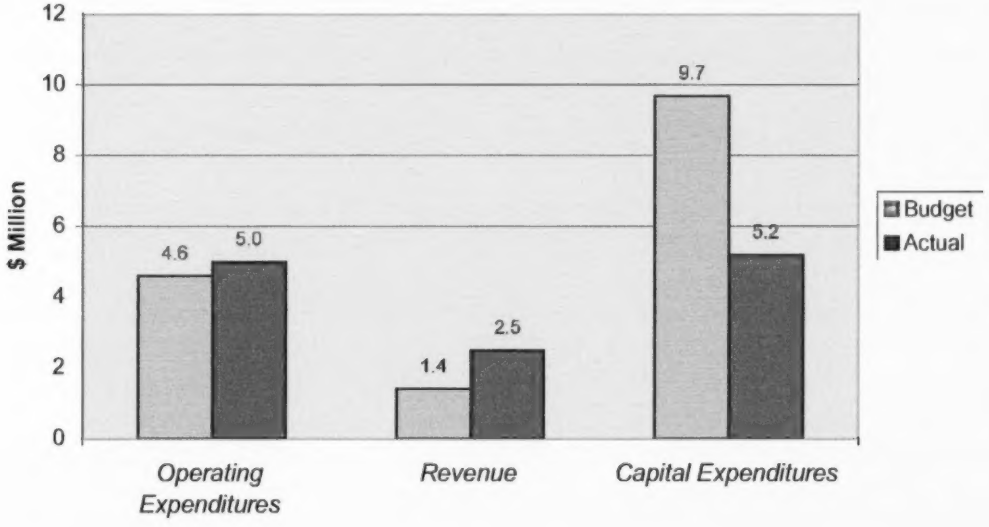
- The Federal Government has allocated $1.127 million per year for homelessness initiatives in Regina in 2007 and 2008.

- 69 new homes received approval and four new housing units were approved under the Warehouse Area of the Regina Housing Incentive Program in 2007.

- Approximately 375 property leases are currently being managed by the City's Real Estate Branch.

2007 Highlights

Financial Performance



Operational Highlights

- 2,186 building permits were issued for a record $338 million worth of construction. CMHC reports housing starts increased by 42% including multi-family housing starts which increased by 125% in 2007. In 2008, a similar level of construction activity is expected.
- A Home for All: Regina Community Plan 2007 was developed by the Regina Homelessness Committee.
- Planning for a new intermodal facility began in 2007, with the City committing to partner with the Province and CP Rail in developing this major economic catalyst.
- Staff negotiated municipal services agreements to pave the way for the creation of two new Urban Reserves which will act as engines of economic growth and education for First Nations communities in Regina. A Protocol Declaration of Understanding was also developed and signed by the City and File Hills Qu'Appelle Tribal Council, to open doors for cooperative efforts on a number of issues of importance to First Nations in Regina.
- Planning was initiated on a new plan for the Core Neighbourhood in 2007. The new action plan will provide a roadmap for developing a vibrant community, improving housing conditions without displacing residents, "greening" the Core, and building on its heritage and cultural assets.
- A plan for industrial growth was prepared in 2007 to respond to the surge in demand for industrial land in Regina. The plan included a forecast of industrial land needed to support sustained growth, and identified the preferred locations in terms of infrastructure cost and environmental impact while meeting industry needs.
- The Servicing Fee Policy Review and the update of the Servicing Agreement Fees model was completed in 2007.

- Partnerships were established with the Ministry of Transportation and Infrastructure to commence the functional design for the widening of Victoria Avenue between Fleet Street and the east City Limits, as well as to design a new interchange at Lewvan Drive and Highway No. 1.

- The Open Space Management Strategy, which provides the framework and direction for the planning and development of parks and open space, was updated during 2007.

- Artwork was commissioned in 2007 for the Regina Avenue and Lewvan Drive gateway intersection and the associated landscape design work is complete. Installation is scheduled for spring/summer of 2008.

- Commenced construction of a new 17,000 square foot Skateboard Plaza in Wascana Centre. The Plaza is scheduled to open in the summer of 2008 and will provide challenging opportunities for enthusiasts of all skill levels.

- A successful lot draw was held for six lots on Carlton Street. A total of 56 prospective purchasers had put their names forward, hoping to be drawn for a residential building lot.

- The development of 36 hectares (90 acres) of land has commenced in Ross Industrial Park, which will result in net 28 hectares (70 acres) of lots. The main servicing was completed in 2007, and the roads, curbs, gutters, streetlights and gas, power, telephone and cable utilities will be installed early in 2008. The sales of these lots are already taking place.

Strategic Priorities

The Planning & Development Division will initiate projects and activities both corporately and divisionally to support the four Strategic Priorities of the City and achieve specific outcomes as a result of these efforts. Planning & Development will take the corporate leadership role on initiatives related to managing the City's growth. The 2008 Divisional Budget provides the financial resources to deliver these results and is summarized as follows:

Strengthen City Infrastructure & Manage Assets

Our Key Areas of Focus

Divisional

- Coordination of planning with infrastructure renewal projects.

Our Outcomes

- Effective financial management.
- A responsive, diverse, well-managed open space system that includes parks, pathways, the urban forest and landscapes.
- Reliable water, wastewater, storm and roadway infrastructure.
- Revitalized facilities.
- Effective fleet management.
- Appropriate and efficient information technology tools in a secure environment.

Ensure Organizational Capacity & Effectiveness

Our Key Areas of Focus

Divisional

- The introduction of a full planning cycle, which includes the development of divisional business plans, detailed work plans and a corporate Performance Management Program.
- The development and implementation of a Divisional Contemporary Workplace Plan.
- Continued implementation of Core Service Recommendations.

Our Outcomes

- Improved business plans and models.
- Effective performance measurement and performance management.
- Skilled, knowledgeable and engaged employees, supervisors and managers.
- A representative workforce.

Manage Growth & Community Development

Our Key Areas of Focus

Corporate

- A new Official Community Plan that responds to current circumstances and addresses future growth needs based on the four pillars of sustainability: environment, economic, culture and social.

- A Master Transportation Plan that provides for the effective and efficient movement of people and goods, considers all modes of transportation, and accounts for intermodal opportunities.
- A long-term Infrastructure Plan that ensures adequate funding is generated for growth infrastructure requirements.
- Downtown and Neighbourhood Plans which encourage continued economic investment and provide strategic direction for future land use decisions and for investment of public funds towards enhancement of our City.
- Annual review of Servicing Agreement Policy.

Our Outcomes

- A compact urban form and sufficient supply of land for future growth.
- Increased pedestrian, bicycle and public transit use.
- Optimization of existing infrastructure capacity.
- Directed investment to enhance vibrancy of downtown.

Achieve Operational Excellence

Our Key Areas of Focus

Divisional

- Implementation of the City's Performance Management Program with established service level standards and metrics based on a combination of inputs, outputs and outcomes.
- The implementation of a Divisional Customer Service Plan which will strengthen customer service delivery capabilities to our community.

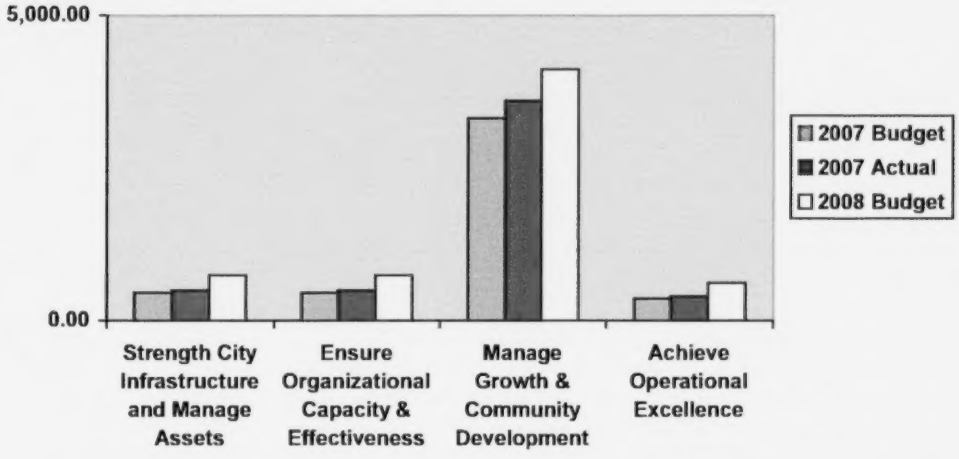
Our Outcomes

- Increased customer awareness and involvement.
- Increased customer satisfaction.
- Efficient, customer-focused processes.

Operating Expenditure Summary ($000's)

To achieve the City's Strategic Priorities the Planning and Development Division has estimated its total allocation of operating budget as follows:

Strategic Priority



In a more traditional format, the Planning and Development Division has summarized its operating budget as follows:

Business Unit

				Change 2007 to 2008	
Expenditures	2007 Budget	2007 Actual	**2008 Budget**	Dollar Change	Per Cent Change
Administration	-	-	**221.4**	221.4	100.0
Planning & Sustainability Departments					
Building	1,374.3	1,456.9	**1,515.6**	141.3	10.3
Development & Policy Research	1,212.8	1,199.6	**1,468.3**	255.5	21.1
Housing	545.8	723.1	**591.2**	45.4	8.3
Support Services (Planning)	393.8	569.2	**394.1**	0.3	0.1
Development Engineering Department					
Development & Technical Services	1,065.2	1,041.1	**1,356.2**	291.0	27.3
Infrastructure Development	-	-	**578.6**	578.6	100.0
Support Services (Development)	-	-	**106.3**	106.3	100.0
Total	4,591.9	4,989.9	**6,231.7**	1,639.8	35.7

Expense Object

Expenditures	2007 Budget	2007 Actual	**2008 Budget**	Change 2007 to 2008 Dollar Change	Change 2007 to 2008 Per Cent Change
Goods & Services	3,714.6	3,789.6	**5,161.4**	1,446.8	38.9
Consulting Services	242.4	359.5	**320.0**	77.6	32.0
Housing Authority Operating Losses	164.3	82.9	**160.0**	(4.3)	(2.6)
Advertising & Media Related Services	91.7	118.1	**103.8**	12.1	13.2
Car Allowance	75.6	85.5	**89.3**	13.7	18.1
Allocated Computer Lease Costs	28.9	29.6	**51.2**	22.3	77.2
Other Expenditures	274.4	524.7	**346.0**	71.6	26.1
Total	4,591.9	4,989.9	**6,231.7**	1,639.8	35.7

Costing Fund

The Planning and Development Division provides service to other Divisions that are charged out to their operating budgets. On a stand alone basis, these costs are reflected as follows:

Expenditures	2007 Budget	2007 Actual	**2008 Budget**	Change 2007 to 2008 Dollar Change	Change 2007 to 2008 Per Cent Change
Real Estate	607.2	634.8	**662.8**	55.6	9.2

Staff Complement

Full Time Equivalents	2006	2007	2008
Permanent	62.6	65.2	70.1
Casual	4.2	4.2	4.2
Total	66.8	69.4	74.3

Note:
2007 Budget and Actual numbers and the 2006 and 2007 FTE's have been restated to reflect the new organizational structure.

Analysis of Operating Expenditure Budget Change

Details		($000's)
2007 Budget		4,591.9
1.	Salaries and Benefits - Includes cost changes resulting from in range progression, classification reviews and employer benefit costs.	187.0
2.	Remove 2007 Specials.	(230.3)
3.	Remove 2007 One Time Investments.	(2.9)
4.	Reorganization - During 2007 the City realigned its reporting structure. This amount represents the activities transferred to the Division from the Public Works and Corporate Services Divisions.	823.3
5.	2008 Addition - Assistant to the General Manager of Planning & Development.	53.9
6.	2008 Addition - Senior Planner for Development Planning and Heritage Services - This new position will provide greater oversight of the development application, zoning administration and urban design processes. It will also strengthen the City's commitment to preserving Heritage within the central city area by taking a proactive approach to Heritage Planning.	47.5
7.	2008 Addition - Building Permit Examiner - The Building Permit Examiner receives and issues permit applications, approves some smaller projects as well as various other administrative duties. Building permit activity in the City has increased to the point where an additional Examiner is needed.	39.0
8.	2008 Addition (172.9) and 2008 Special (60.0) - Servicing Agreement Administration - The recent review of the Servicing Agreement Policy identified that additional administrative and technical support was required to properly administer the increased development studies and applications due to growth. Funding for the additional support has been included in the increased Administration Fee portion of Servicing Agreement Fees that were approved by City Council in October 2007. The funding for this is allocated 60% to the General Operating Budget and 40% to the General Utility Budget. (increase 2.4 permanent FTE)	232.9
9.	2008 Special - Core Sustainable Neighbourhood Feasibility Study - Funding is required to undertake a Neighbourhood Planning Process in the Core Area of Regina. The cost will be fully offset by funding from FCM and Communities of Tomorrow. This project was originally scheduled to be undertaken during 2007. However, FCM funding will not be received until 2008 so the project was deferred.	205.0
10.	2008 Special - Housing Program Implementation and Promotion - The Housing and Neighbourhood Planning Branch is reviewing the City's current housing incentives and programs and will be providing a report, with recommendations, to City Council by the end of 2007. This budget addition will allocate resources to develop a co-ordinated promotional strategy for the revised City housing programs, including the development of integrated brochures and print materials, targeted advertising and the creation of a "trade show" display for public events such as the Home Show.	25.0
11.	2008 Special - Trimble Trimark Base/Repeater Receiver - In 2005, the City selected Trimble equipment to become the standard for GPS and surveying. Replacement of existing equipment is needed where the equipment is not compatible with the new equipment and systems, and is causing inefficiencies in the operations.	26.2
12.	Other cost changes.	233.2
2008 Budget		6,231.7

Note:
Special request funding – represents one-time or project specific expenditures for the current budget year.
Addition request funding – represents expenditures that would be ongoing past the current budget year.

Capital Investment Program

To achieve the City's Strategic Priorities the Planning & Development Division has estimated its total allocation of capital investments according to both Strategic Priority and functional Business Unit as follows:

Strategic Priority

				Change 2007 to 2008	
Expenditures (000's)	2007 Budget	2007 Actual	**2008 Budget**	Dollar Change	Per Cent Change
Strengthen Infrastructure & Manage Assets	2,801.0	2,195.9	**5,952.0**	3,151.0	112.5
Ensure Organizational Capacity & Effectiveness	751.0	318.9	**999.0**	248.0	33.0
Manage Growth & Community Development	5,507.2	2,396.1	**6,121.5**	614.3	11.2
Achieve Operational Excellence	600.8	255.1	**832.5**	231.7	38.6
Total	9,660.0	5,166.0	**13,905.0**	4,245.0	43.9

Business Unit

				Change 2007 to 2008	
Expenditures (000's)	2007 Budget	2007 Actual	**2008 Budget**	Dollar Change	Per Cent Change
Real Estate					
Land Development	2,150.0	1,977.0	**5,080.0**	2,930.0	136.3
Planning & Sustainability					
Downtown Development	1,000.0	-	**150.0**	(850.0)	(85.0)
Development Engineering					
Roadways Network Improvements	6,510.0	3,124.0	**8,060.0**	1,550.0	23.8
Transportation Projects	-	65.0	**615.0**	615.0	
Total	9,660.0	5,166.0	**13,905.0**	4,245.0	43.9

Summary of Capital Investments

		($000's)
1.	Ross Industrial Land Development Phases I & II - The City, as the owner of lands in the Ross Industrial Park, undertakes the development of these lands as required. The City is responsible for the developer's share of infrastrucure costs.	**4,400.0**
2.	Ross Avenue – North side – Sioux Street to Fleet Street – detailed design and construction of the north side of Ross Avenue from Sioux Street to Fleet Street.	**2,140.0**
3.	Gordon Road Extension West of Lewvan Drive – detailed design and construction of Gordon Road from Lewvan Drive to Harbour Landing Drive approximately 450 m west of Lewvan Drive.	**2,060.0**
4.	Interchange – Highway No. 1 and Lewvan Drive – In 2007, $2M was provided as an initial commitment of funding towards the construction of the interchange. Each of 2008 and 2009 will allocate $2,000,000 in funding and 2010 will have $3,000,000.	**2,000.0**
5.	Intersection Improvements – Gordon Road and Lewvan Drive – detailed design and intersection improvements at Lewvan Drive and Gordon Road.	**500.0**
6.	Jim Cairns Boulevard	**500.0**
7.	Various other projects under $500,000.	**2,305.0**
2008 Capital Budget		**13,905.0**

Costing Fund Budget Summary

Overview

The Costing Fund was established to account for operations that are not part of either the General Fund or the Water and Sewer Utility Fund. The Costing Fund includes:

- Real Estate, which carries out all real estate-related services for the City. This includes buying and leasing properties when required for City operations, selling or leasing City-owned properties, performing land development functions, selling properties taken through tax enforcement, and providing real estate services, information and advice to all city departments.

- Facilities and Energy Management, which includes the day-to-day operation and maintenance of City-owned facilities along with Central Stores and the Fuel/Lube Centre, including the Natural Gas Vehicle Program.

- Fleet Services, which includes fleet management, maintenance and operator training services for the City's fleet excluding that of Transit, Police and Fire.

- The Print Services and Computer Leasing operations in Information Systems. Print Services is an in-house print shop, with the objective of providing quality output in a timely and cost effective manner. This includes responsibility for output devices (copiers, multi-functional and networked printers) and desktop computers.

- Roadways Operations – this operation provides for the maintenance and repair of roadway and sidewalk cuts made for the City water and sewer operations. The costs of the repairs are charged to the Water and Sewer Utility Budget.

- Granular Materials Supply and Asphalt Plant Operations – the purpose of Granular Materials Supply Section is to purchase, inventory and process granular materials, soils and other landscape products and recycled materials such as steel slag, crushed concrete and crushed asphalt. The Asphalt Plant produces a variety of asphalt mixes for paving, cut repair and patching.

- Open Space Landscape – this operation provides landscape services, with the costs charged to operating or capital budgets within Community Services and other Departments, or in some instances to external organizations.

Pursuant to the policy of City Council, the net revenue generated by Real Estate is transferred to the General Fund Reserve. The net revenue can vary substantially due to the volume of land sales.

For other operations in the Costing Fund, the purpose of the costing fund is to function as a cost distribution mechanism. All of the costs are allocated to other operating and/or capital budgets.

Costing Fund Expenditure Summary ($000's)

Expenditures	2007 Budget	2007 Actual	**2008 Budget**	Change 2007 to 2008 Dollar Change	Change 2007 to 2008 Per Cent Change
Corporate Services:					
Facilities & Energy Management	8,270.6	8,087.7	**8,885.9**	615.3	7.4
Fleet Services	13,387.9	13,502.8	**14,337.4**	949.5	7.1
Information Systems	1,437.0	1,491.0	**1,439.4**	2.4	0.2
	23,095.5	23,081.5	**24,662.7**	1,567.2	6.8
Public Works:					
Granular Material & Asphalt Plant	4,373.3	4,633.4	**4,690.8**	317.5	7.3
Roadway Operations	1,253.9	1,658.7	**1,296.3**	42.4	3.4
	5,627.2	6,292.1	**5,987.1**	359.9	6.4
Community Services:					
Open Space - Landscape	1,318.9	1,434.5	**1,408.8**	89.9	6.8
Planning & Development					
Real Estate	607.2	634.8	**662.8**	55.6	9.2
	30,648.8	31,442.9	**32,721.4**	2,072.6	